

# Dow Tops 2,000 As Calm Returns

Compiled by Our Staff From Dispatches  
**NEW YORK** — Prices on the New York Stock Exchange closed higher Monday, managing to avert the sharp losses and the volatility that had marked the first day of trading in the past two weeks.

The Dow Jones industrial average advanced for a fifth consecutive session, ending up 20.56 points at 2,014.09. It was its first close above 2,000 since Oct. 21.

The wild plunges that were a hallmark of the previous two Mondays, when the Dow dropped 508

"The fear and trembling is basically not prevalent," said Ronald B. Doran, head of institutional trading at First Albany Corp. "It's quieted down and is fairly stable right now."

"The market is starting to act a lot more orderly and the buying is becoming a little bit more widespread," said George Firoone, a trader with Dreyfus Corp.

Analysts, who had expected the market to continue to make headway after the gains of the previous four sessions, welcomed a feeling of relative stability. The previous two Mondays had shown the Dow's two worst single-session drops in history.

points and 156 points, played no part in Monday's trading, although there were minor fluctuations in early trading.

Issues gaining in value led declines by about a 5-2 ratio, and all of the market's broader-based indexes ended higher. The New York Stock Exchange index closed up 1.94 at 142.74, the price of an average share was up 43 cents.

Volume was also lower than it has been in frantic trading during the past two weeks. About 176 million shares changed hands, the slowest session since Oct. 13, when 72.9 million shares were traded.

The trading day was again curtailed, ending at 2:30 P.M. instead of the normal 4 P.M.

In an effort to clear the backlog of trades built up in the heavy volume of the past two weeks, the market had shortened trading hours beginning Oct. 23, when the NYSE closed at 2 P.M.

The hours will be lengthened gradually this week, and the exchange expects to return to normal hours on Monday.

The moderate trading volume suggested that the rampant emotionalism that dictated wild swings in the market over the past few weeks had subsided somewhat, traders said.

"At this point, anything that approaches relative stability is to be welcomed," said Trude Latimer of Josephthal & Co. "The fact that the Dow is trading in a narrow range is just fine."

Ms. Latimer said the market was receiving the same news that had knocked it lower the past two Mondays — weakness in the dollar — "with relative equanimity."

In the past several days, there has been growing belief that the U.S. Federal Reserve is willing to let the dollar decline further in order to keep monetary policy loose and allow domestic economic growth. Central banks often support their nations' currencies by raising interest rates, at the risk of slowing their economic growth.

Ernie Rudnet, manager of block trading at Mabon, Nugent & Co., said that after opening lower, the market "trilled nicely" through the day, "but some of that back." He observed that investors were making selective purchases as they revamped their investment portfolios. He said traders had begun to analyze stocks to determine which would fare best in the current economic circumstances.

"I would say Washington has another two or three days before the market starts getting worried again," he said. (Reuters, UPI, AP)

# After Stock Crisis, Only Mild Fallout

By John M. Berry  
 Washington Post Service

**WASHINGTON** — Federal Reserve officials tracking U.S. financial institutions, brokerage firms and the economy in general after the recent stock market plunge, say they have found no indication of serious damage.

Senior Fed officials expressed amazement at the end of last week when the huge stock market decline had so little fallout.

While many brokerage firms have suffered large losses, only a few smaller firms have failed, such as Pace Securities Inc., which went out of business Monday.

No one appeared ready to declare the crisis ended, but as time passes with no major failure, Fed officials are becoming more relaxed.

Officials said that no financial institution had sought federal help, such as large loans from the Fed-

eral Reserve, as a result of market-related losses.

Although bank loans to brokers and others involved in the market jumped by \$3 billion or more shortly after the plunge, officials took that as a sign that standby lines of credit were being used in a normal way following an unexpected shock that called for more cash.

Since the market's record drop Oct. 19, the Federal Reserve Board in Washington has had daily telephone conference calls with officials in the system's 12 regional banks to keep them informed of what was being done to try to calm the markets.

Early Oct. 20, the Fed chairman, Alan Greenspan, said that the central bank was ready to supply as much cash as required to keep the U.S. economy growing steadily.

Since then, the Fed has pumped enough money into the banking system, through the purchase of government securities, to lower short-term interest rates by 1 to 2 percentage points.

The Fed's principal policy-making group, the Federal Open Market Committee, or FOMC, will meet Tuesday to plan monetary policy for the coming weeks. The ma-



President Daniel Ortega Saavedra of Nicaragua, top left, and General Wojciech Jaruzelski of Poland listening Monday as Mikhail S. Gorbachev delivered his speech, right.

# Zhao Elected to Head a Younger Politburo

By Daniel Southard  
 Washington Post Service

**BEIJING** — The Chinese Communist Party elected Prime Minister Zhao Ziyang as its leader Monday to head a younger Politburo dedicated to transforming China into a more open and stable, market-oriented nation.

Mr. Zhao's election as party general secretary, together with the election of a new Politburo, seemed to dramatically shift the balance in favor of the economic changes that

have been introduced by Deng Xiaoping, the senior leader, and his protégé, Mr. Zhao.

The party Monday went beyond what many observers predicted in electing a new 18-member ruling Politburo that was packed with officials who embrace Mr. Zhao's pragmatic approach to change. The election seemed to bring a resolution to months of party infighting over policies and leadership.

The new Central Committee, meeting Monday for the first time after a weeklong party congress, elected a five-member Politburo standing committee, the country's top decision-making body, with Mr. Zhao as its head.

Mr. Zhao, 68, is the only hold-over from the old standing committee. The new committee members have an average age of about 63.

In addition to Mr. Zhao, the four

other members of the new standing committee are Hu Qili, who is expected to oversee propaganda and ideological affairs, and the deputy prime ministers, Yao Yilin, Qiao Shi, and Li Peng.

Li Peng, 59, is expected soon to replace Mr. Zhao as acting prime minister, with Mr. Zhao taking over party affairs.

Western diplomats said that the committee reflected more of a balance of political forces than the Politburo as a whole and included three members — Li Peng, Qiao Shi, and Yao Yilin — who would be easily accepted by the "conservative" party elders who have resigned from key party positions.

Mr. Zhao was also elected Monday as first vice premier of the state, a position he held since 1982.

As expected, Mr. Deng was ap-

# Gorbachev Criticizes Opponents of Reform, Assails Past Repression

By Philip Taubman  
 New York Times Service

**MOSCOW** — Mikhail S. Gorbachev restored to respectability two discredited figures from Soviet history Monday, Nikita S. Khrushchev, the former Soviet leader, and Nikolai I. Bukharin, a revolutionary theorist executed by Stalin in 1938.

In a three-hour speech marking the 70th anniversary of the revolution, Mr. Gorbachev praised both men for making important contributions to the development of the country.

But he did not fully clear their names.

His remarks appeared to open the way for the partial rehabilitation of two men whose disappearance from the official record of Soviet history has symbolized the party's unwillingness to confront a troubled past.

Touching on periods and historical figures that have been suppressed in recent decades, and denouncing Stalin for committing

"enormous and unforgivable" crimes, Mr. Gorbachev offered a more candid public account of Soviet history than any leader since Khrushchev first opened closed chapters three decades ago.

But Mr. Gorbachev's nationally televised address in the Kremlin Palace of Congress, which kicked off a week-long commemoration of the Bolshevik seizure of power in 1917, fell short of the unstinting recapitulation of history that many Russians had expected from a man who has made *glasnost*, or openness, a theme of his leadership.

Ranging widely across foreign and domestic issues as well, Mr. Gorbachev said the inevitability of conflict between communism and capitalism was giving way to a new era of guarded cooperation in an "interrelated, interdependent" world.

He said that Moscow wanted to encourage greater independence among socialist countries.

"We have satisfied ourselves that unity does not mean identity and uniformity," he said.

Urging his countrymen to press ahead with the changes that he has initiated in the economy and other areas of Soviet life, Mr. Gorbachev indirectly criticized Boris N. Yeltsin, who recently threatened to resign as the Moscow Communist Party leader because of the slow pace of change.

Along with exposing and overcoming conservative opponents of change, Mr. Gorbachev said it was also impermissible to "succumb to the pressure of the overly zealous and impatient."

Mr. Yeltsin, last month at a party-meeting, was given a political speech, sat-expressionless two rows behind Mr. Gorbachev.

With the members of the ruling Politburo and other party leaders arrayed behind him in staid tiers of seats, Mr. Gorbachev said it was important to examine the past because "even now there are still attempts to turn away from painful

ne, but probably more slowly, and with greater limits, than many scholars, cultural figures and journalists had hoped.

Roy A. Medvedev, a historian whose critiques of Stalin have not been published in his homeland, said: "Some expected it to be a radical review of history. Others expected he would just scratch the surface. I expected something in between, and that's about where it came out."

Speaking to an audience of 5,000 Soviet officials and foreign dignitaries in the glass-enclosed auditorium, Mr. Gorbachev was not as harsh or as detailed in his indictment of Stalin as Khrushchev was 30 years ago.

"To remain faithful to historical truth we have to see both Stalin's incontestable contribution to the struggle for socialism, the gross political errors and the abuses committed by him and those around him," Mr. Gorbachev said.

"Contrary to the assertions of our ideological opponents, the Stalin personality cult was certainly not ineliminable," he added.

Mr. Gorbachev announced that the investigation of Stalin's actions, begun by Khrushchev in the 1950s but cut short in the early 1960s, would be renewed by a special commission appointed by the Politburo last month. He said that appropriate decisions would be made on the basis of the commission's findings.

# Soviet Chief Says Beware Of Naysayers

Compiled by Our Staff From Dispatches  
**MOSCOW** — Mikhail S. Gorbachev said Monday that "conservative" elements were attempting their "best efforts" to sabotage the Soviet social and economic systems.

He said the conservative elements, which he did not further identify, saw his program of *perestroika*, or restructuring, "simply as a threat to their selfish interests and objectives." Their resistance could be felt both at the management level and on the factory floor, he said, adding, "It would be a mistake to take no notice" of such resistance.

"Naturally these people never say that they oppose *perestroika*," he said in his speech marking the 70th anniversary of the Bolshevik Revolution. "Rather, they would have us believe that they are fighting against its negative side-effects, that they are guardians of the ideo-

See REFORM, Page 2

# Kiosk U.S. Says Japan Ends Dumping

**WASHINGTON (AP)** — The United States has found evidence that Japanese dumping of computer chips in third countries has halted, the Commerce Department undersecretary for international trade, Bruce Smart Jr., said Monday.

His statement set the stage for easing of U.S. trade sanctions against the Japanese semiconductor industry. He added that the United States still is not satisfied with its access to Japan's semiconductor market.

# 5 German Institutes Press Tax Cuts as Bonn Resists

By Reginald Dale  
 International Herald Tribune

**WEST GERMANY** continued Monday to resist pressure to expand its economy, flatly rejecting early tax cuts and reasserting the priority of combating inflation.

In Bonn, the government dismissed another call for bringing tax cuts forward to promote growth, as the United States and other Western nations have been urging.

But this time the appeal came not from abroad but from West Germany's five leading economic institutes. They warned that the country's economy would grow by only 2 percent next year, not the 2.5 percent the government predicts.

In New York, Karl Otto Pöhl, president of the Bundesbank, the West German central bank, also defended the country's strict anti-inflationary policies against foreign complaints that they have been too restrictive.

He urged Western governments not to commit themselves to "over-ambitious" exchange rates. He said it was more realistic to manage the existing currency system "pragmatically and flexibly."

Reaffirmation of Bonn's stance came as international recommitments continued over who was at fault for sparking last month's world stock market collapse and the subsequent upheaval in foreign exchange markets.

James A. Baker 3d, the U.S. Treasury secretary, who was widely criticized for triggering the crisis by publicly condemning West German interest rate policy, was reported to have pointed the finger back at the Bundesbank leadership.

# AIDS Offers a Test of Courage and Love in Smalltown, U.S.A.

By Dirk Johnson  
 New York Times Service

**WASBECA, Minnesota** — The night before his high school class reunion, the telephone rang for Dean Lechner.

A classmate he had known since kindergarten was calling on behalf of the reunion organizing committee, she said, to tell him not to come.

"If you come," she warned, "people will leave."

And for the first time since Mr. Lechner had been diagnosed as having AIDS, he said down and cried.

AIDS strikes most often in big cities, but many of its victims have come from small towns like Wasbece, a quiet place of 8,000 people in the farm country of southern Minnesota.

Often just out of college, many young people had left for New York or Chicago or San Francisco, ambitious and bursting with notions about life in a glamorous metropolis. For homosexual men, there loomed all this and more: the promise of tolerance in the city, a chance to live out loud a way of life that had been unspeakable back home.

But their dreams have been mocked by acquired immune deficiency syndrome. And they return to their small towns, not in triumph over successes in the city. They go home instead to die.

They most often return to Mom, because her arms are usually open, even as so many doors are slamming shut. And Elvira Lechner, a tiny, 68-year-old woman with painful arthritis, embraced her son with a love he termed better "than any medicine at any hospital."

For most of his adult life, Mr. Lechner had lived in San Francisco, where he became assistant to the president of a political fund-raising company. He worked with John Anderson when he ran for president in 1976 and Bella Abzug when she was a New York congresswoman. He attended the inaugural ball for Supreme Court Justice Sandra Day O'Connor.

"It was everything a small-town boy from the Midwest could dream of," Mr. Lechner said.

Last Thanksgiving he returned to Wasbece to explore the idea of starting a business with his brother, a woodworker, to sell crafts. The plan never got off the ground, and then Mr. Lechner became ill in the spring.

When he was diagnosed as having AIDS, he knew that staying in Wasbece would mean facing certain risks.

Dean Curtis Lechner was born Nov. 10, 1953, in Wasbece Community Hospital, the son of Elvira and Edward Lechner, a civil engineer, and the grandson of immigrant farmers from Germany and Sweden.

He grew up in a 19th-century, white clapboard house on a nameless county road. He was baptized and confirmed at St. Peter's Lutheran Church, about 100 steps from his front door, and he played Little League baseball at Clear Lake Park, under the watchful eye of his father, a former semiprofessional ball player who died in 1985.

He attended Wasbece public schools from kindergarten through high school, where his yearbook shows a smiling, slender young man with brown hair in the longest style of the early 1970s and a few whiskers straggling to amount to a mustache. Beneath his name, it listed his credits: Football, 9, 10; Basketball, 9, 10, 11, 12; German, 10, 11; Declaration, 11; Chorus, 9, 10, 12; National Honor Society, 12.

The yearbook gave no clue that classmates called him "queer" behind his back or that his car was scrawled with venomous graffiti.

At a school dance, he was hit over the head with a beer bottle. He picked himself off the floor to leave, only to be followed by his tormentors in a car and a pickup truck that tried to run him off the road. At home that night, he closed the garage door and left the car motor running for a time. And he pondered taking his 17-year-old life.

Last May, when Mr. Lechner caught a cold marked by persistent wheezing and coughing, he thought the output was the windswept dust on his sister's farm, where he sometimes stayed. He saw a doctor in Wasbece and was diagnosed with bronchitis.

"Never once did I even imagine it could be AIDS," said Mr. Lechner. "For the last three years, I had either been celibate or practiced 'safe sex.' I thought I was safe."

But his condition worsened. He felt so weak that he stayed in bed for 14 days. On the afternoon of June 2, he felt his neck tighten as though he was being strangled by invisible hands. His temperature soared to 104.

See AIDS, Page 2



Li Peng, asked Monday about the origins of the well-tailored suit of the Chinese Politburo's standing committee, showed off his

# For Malaysia, an Image Sullied by a Crackdown

By Barbara Crossette  
 New York Times Service

**KUALA LUMPUR, Malaysia** — The free enterprise country of Southeast Asia where the industrialized democracies find their hopes after Indochina, under Communist rule, Malaysia's success seemed poised for success.

But not as such as Singapore, which with 16 million people, worked hard to build a modern economy based on Malay culture.

Kuala Lumpur became Southeast Asia's most plebeian "capital" with handicraft-style buildings and high standards of living for all its people.

Political diversity flourished. Parliamentary elections took place regularly. The military of Indonesia and Thailand was avoided,

and a host of professional and public interest groups fostered a lively debate on national issues.

Last week, Malaysia's political image shattered in an un expected harsh and sweeping demonstration of the limits of dissent in Southeast Asia.

Now, Kuala Lumpur is ringed with police roadblocks. Ninety-one critics of Prime Minister Mahathir bin Mohamad, including the leader of the political opposition, are in jail. Police raids have been going on since Tuesday, under a law that allows detentions without trial.

Mr. Mahathir says the action, taken under a law against subversives and terrorists, was necessary to "defuse racial tension" between the country's dominant Malays, who make up 48 percent of the

See DISSENT, Page 2

# René Lévesque, the former premier of Quebec, died at 65.

**GENERAL NEWS**

Algeria reportedly is backing away from a formal union with Libya. Page 4.

Dow close: UP 20.56  
 The dollar in New York:  
 DM \$ 1.7105  
 ¥ \$ 136.95  
 £ \$ 1.5088

Handwritten signature: J.P. ...

U.S. Accuses Iran of Rebuffing Its Bid for Face-to-Face Talks

By Elaine Sciolino
New York Times Service
WASHINGTON — The United States has asked Iran for face-to-face meetings for several months but has been rebuffed, according to Reagan administration officials.

The recent conciliatory statements came against a background of heightened tensions and worsening relations between the two countries. Last week, President Ronald Reagan announced an embargo on Iranian exports to the United States and further curbs on American exports to Iran.

The curbs were taken in response to Iran's use of force against shipping in the Gulf and its continued support of terrorist groups, the president said. Moreover, Washington has said that if Iran does not accept a UN resolution mandating an immediate cease-fire, it will push for a global arms embargo against Iran.

The administration has conveyed its willingness to talk by sending written messages to Tehran through the Swiss, who represent U.S. interests there, and by oral requests through countries having good relations with Iran, Mr. Djerjani said.

Rafsanjani Accuses UN
Roberto Suro of The New York Times reported from Dubai: A senior Iranian leader accused the United Nations of procrastination in Lebanon, senior administration officials, including Secretary of State George P. Shultz, said repeatedly that the United States would be willing to engage in discussions with Iran but not about arms.

U.S. Ship in Gulf Action
A U.S. frigate opened fire on one of three suspected Iranian vessels that approached at high speed in the Gulf on Sunday, the Defense Department said, according to a Reuters report from Washington.

WORLD BRIEFS

Syria Prime Minister Changes Cabinet

DAMASCUS (Reuters) — Prime Minister Mahmoud Zabi of Syria has made several changes to his 36-member cabinet, according to the semi-official newspaper, al-Thawra, Monday.

Sihanouk Rejects Offer by Cambodia

BANGKOK (AFP) — Prince Norodom Sihanouk, the Cambodian resistance leader, has rejected an offer of a high state position in the Cambodian government in Phnom Penh, his office said here Monday.

Titanic Safe Empty, Photo Chief Says

PARIS (AP) — A safe brought up from the wreck of the Titanic and shown on television last week was actually empty when found on the ocean floor, according to the president of the Sygma photo agency that has rights to the expedition.

Kasparov Has Advantage in 8th Game

SEVILLE, Spain (Reuters) — The eighth game of the world chess championship between the titelholder, Garry Kasparov, and his challenger, Anatoli Karpov, was adjourned Monday.

Table with 6 columns: White Kasparov, Black Karpov, White Kasparov, Black Karpov, White Kasparov, Black Karpov. It lists chess moves and positions for Game 8.

Court Lets Affirmative Action Stand

WASHINGTON (AP) — The U.S. Supreme Court, declining to take a new look at affirmative action, refused to revive an Indiana school district's plan for protecting the jobs of black teachers from layoffs.

For the Record

The NBC television network, which had already announced plans to cut 200 jobs, will lay off 500 more of its nearly 8,000 employees next year, according to a 1988 business plan presented to General Electric Co., which owns NBC.

TRAVEL UPDATE

238 Told to Leave Overloaded Ferry

FOLKESTONE, England (Reuters) — More than 200 passengers were ordered off a British cross-channel ferry Sunday night after its captain turned back to the French port of Boulogne, fearing the vessel was overloaded, its owners said Monday.

Gorbachev Cites Stalinism's 'Dire Effect'

Following are excerpts from Mikhail S. Gorbachev's speech Monday marking the 70th anniversary of the Bolshevik Revolution. By the end of the '30s the Soviet Union had moved to first place in Europe and second place in the world for industrial output, becoming a truly great industrial power...

DISSENT: An Image of Progress Sullied in Malaysia

(Continued from Page 1)
population, and a large ethnic Chinese minority of about 37 percent. The 91 people arrested are drawn from almost every major political party and public interest group...

CHINA: Zhao Heads New Politburo

(Continued from Page 1)
that Beijing attached "great importance" to the Soviet Union's own reforms. "There is one thing that is really beyond comprehension," Mr. Zhao said.

REFORM: Resistance Seen

(Continued from Page 1)
logical principles that supposedly might be eroded by the increasing activity of the masses. Mr. Gorbachev said the conservative forces "will seize upon any difficulty in a bid to discredit perestroika and provoke dissatisfaction among the people."

Contrasts With Khrushchev: Open Doors — and Brevity

International Herald Tribune
When Nikita S. Khrushchev rose before the 20th congress of the Soviet Communist Party on Feb. 24, 1956, to lay bare the facts on Stalin, then dead almost three years, there was none of the publicity that accompanied Mikhail S. Gorbachev's assault Monday on the dictator's "enormous and unforgivable crimes."



Nikita S. Khrushchev in 1963.

AIDS: One Man's Illness Brings Out Courage and Love in Smalltown, U.S.A.

(Continued from Page 1)
degrees. He was taken by ambulance to the Mayo Clinic in Rochester, Minnesota. The next few days were devoted to tests, which confirmed the worst, and to calling the family. Doctors gave him "months to a year" to live.

"I have trouble talking about it, even with my minister," she said. "But Dean has my support all the way." He has known that for a long time. Not long after he moved to San Francisco, she had gone to visit him. At the time, he did not know quite how he would explain his way of life.

Advertisement for Habsburg, Feldman S.A. featuring a stork illustration and listing autumn sales for Hotel Noga Hilton in Geneva.

Advertisement for Isle of Jura Single Malt Scotch Whisky, featuring a bottle illustration and describing the 'flavour of an island in a single malt.'

Advertisement for Gramercy Park Hotel in New York City, listing amenities like 500 rooms, restaurant, and bar.

Advertisement for University Degree programs, including Bachelor's, Master's, and Doctorate degrees in various fields.

Large vertical advertisement on the right edge of the page, partially cut off, mentioning 'VICT & AL MUS' and 'THE NATION OF ART'.

31 October 1987 - 7 February 1988

# Salvatore Ferragamo

## The Art of the Shoe 1927-1960



VICTORIA & ALBERT MUSEUM  
THE NATIONAL MUSEUM OF ART AND DESIGN

20TH CENTURY EXHIBITION GALLERY

VICTORIA AND ALBERT MUSEUM, EXHIBITION ROAD ENTRANCE, SOUTH KENSINGTON, LONDON SW7 2RL. EXHIBITION SUPPORTED BY ALITALIA. EXHIBITION AND MUSEUM SHOP OPEN UNTIL 9PM ON WEDNESDAYS.

WEEKDAYS AND SATURDAYS 10.00-17.30. SUNDAYS 14.30-17.30. DONATIONS ARE INVITED. UNDERGROUND TO SOUTH KENSINGTON. BUSES 30, 74, 14, 49, 45, 246 & C1. RECORDED INFORMATION 01-587 4894. LICENSED RESTAURANT.

### LEFS

#### anges Cabinet

Abdullah Zabi of Syria has not, according to the news agency, who resigned Saturday of mismanagement out of...  
Mamios Habib, 48, is oil minister as finance minister. Minister Ghazi Droubi, a Affairs Minister Issam al-

#### by Cambodia

Sihanouk, the Cambodian high state position in the office said here Monday. The peace plan proposed on installed by the Vietnamese in 1979. Phnom Penh is a prelude to forming a force withdraw from the...  
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#### age in 8th Game

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NING

move	White Kasparov	Black Karpov
1	29. Ra2	Bb6
2	30. Ng5	Rf8
3	31. Re2	Bg7
4	32. Qc2	Rd8
5	33. Ne3	Bb6
6	34. Bd5	Bg7
7	35. Qd1	h6
8	36. Ne4	Qd8
9	37. Ra2	Bc8
10	38. Nc3	h5
11	39. Be4	Rd6
12	40. Ncd5	Bd6
13	41. Ng2	Ng7
14	42. f4	adjourns

#### ive Action Stand

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er climbed border barriers into Germany, police said Monday. (AP)

### UPDATE

#### Overloaded Ferry

rs) — More than 200 passengers e ferry Sunday night after its cap of Boulogne, fearing the vessel...  
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# to Shy Union

Agreement with Colonel Gadhafi on the Nov. 1 anniversary of the beginning of Algerian armed struggle against French colonial rule.

leader of the internal opposition to formal political agreement with Libya is Foreign Minister Ahmed Taleb Ibrahimi last month endorsed a coming into the loose union formed by the 1983 agreement as an alternative to the 1983 agreement was originally intended to provide Tunisia support against Colonel Gadhafi's threats to destabilize the government of President Habib Bourguiba.

Washington has dealt carefully with Algeria in voicing its opposition to extending any political treaty to Colonel Gadhafi, fearing direct pressure tactics, it U.S. displeasure at any negotiation with Colonel Gadhafi has been voiced in far more direct terms to the weakened Tunisian government, according to Arab Western diplomatic sources.

Colonel Bourguiba had provided Bourguiba, who is 84 and ill, a commitment in 1984 to help Tunisia in the event of Libyan aggression or subversion.

loser relations between Algeria and Libya leave Tunisia in a difficult position but to accept efforts by Colonel Gadhafi at fence-mending, according to Arab diplomatic sources.

These sources report that work is to continue on the Algerian-Libyan union agreement, which is a national sovereignty on the affairs and defense matters of the government and rules of the constitution of the governments. It would, however, establish common institutions.

When the United States launched an air strike on Libya in April 1986, Colonel Gadhafi moved only the mildest support among other Arab nations.

His gradual realization of his position and a series of military defeats inflicted on him by Chad in the last summer have caused Colonel Gadhafi to strike a non-confrontational pose in dealing with her nations, diplomats report.

# U.S. Jets

Maragoza air base in northern Spain.

It has done so despite pressure from Western Europe and the United States by NATO officials who see the U.S. aircraft in Spain as important to Western security, particularly in light of an impending U.S. Soviet agreement to renounce medium-range nuclear missiles from Europe.

Spain argues that the F-16s are not essential to NATO's defense. Spanish officials say furthermore that withdrawal of the jets would be compensated for by Spain's commitment as a NATO member to defend its territory and maintain the U.S. bases for NATO's use in crisis.

# Sec Premier Dies at 65

Carlisle on the Gaspé Peninsula, Quebec to French-Canadian parents. The son of a lawyer, he went to law school at Laval University in the city of Quebec.

As a radio commentator with the French-language service of the Canadian Broadcasting Corp., Lévesque became one of Quebec's most influential commentators.

In 1959, he joined the Liberal Party and held a series of ministerial posts in the Quebec government.

By the mid-1960s, Mr. Lévesque had parted company with a number of his former friends and associates over the issue of Quebec's future within Canada. One of his friends was Mr. Trudeau, at the time a Montreal law professor, a much of the next 20 years in their careers was devoted to fighting over the issue.

Although Mr. Lévesque lost the independence issue, the Québécois, which he helped to win in 1967 and led to power in 1976, province nine years later, not a number of popular measures strengthened French language culture and to shore up provincial powers in the areas of culture and social welfare.

Other deaths:

- Vasso Devetzi, 59, an international concert pianist who founded the Maria Callas Foundation as a means of helping young musical talents.
- Willis (Gator) Jackson, 71, jazz tenor saxophonist, died in New York, a week after undergoing heart surgery.
- Herbert R. Mayes, 87, the editor of Good Housekeeping magazine, died in New York.
- Takyo Kumagai, 40, a Japanese shoe and accessory designer, died in Paris.
- Albert P. Cray, a polar explorer and scientist, 76, of complications following surgery for a spinal tumor in Washington.
- Aldo Bozzi, 75, a member of parliament and one of Italy's leading constitutionalists, Sunday, following a long illness.
- Mohammed Abdel-Hamid, 46, Egypt's minister of parliamentary affairs, died of a heart attack in Cairo.



**UNION MARCH** — Workers demonstrated at a rally in Managua over the weekend to demand government benefits. It was organized by the Permanent Congress of Workers, a new organization of independent unions.

# New Drug Aids Brazil Radiation Victims

By Harold M. Schmeck Jr.  
New York Times Service

**NEW YORK** — Members of the international medical team that treated victims of the Chernobyl disaster have spent more than two weeks in Brazil, where they used an experimental technique to save two of the most gravely injured victims of a radiation accident.

The team, which faced difficulties they had not previously encountered, was led by Dr. Robert P. Gale of the University of California at Los Angeles.

Unlike those injured by radiation when the Chernobyl nuclear plant in the Soviet Union exploded and burned in the spring of 1986, many of the Brazilian patients themselves became dangerously radioactive when they came in contact with powdered cesium-137. The highly radioactive substance was contained in a piece of medical equipment dismantled for repair.

"This was something that most of us had not really thought much about having to deal with," Dr. Gale said Friday. "It was a very unusual situation."

Six patients were given the experimental treatment, which involved a substance that stimulates growth of certain vital blood cells. Two recovered and four died.

The accident occurred in late September when a piece of radiation equipment that two young scavengers had taken from an abandoned clinic in Goiânia in central Brazil was abandoned in a junkyard.

In the junkyard, people were fascinated by the blue glow the compacted cesium emitted.

Thinking that anything so mysterious and beautiful must have magical powers, they took particles of it home. Some actually ate the powder.

The authorities learned of the accident only when people began to fall ill, many from the destruction of blood cells caused by radiation damage to bone marrow. A 6-year-old girl was among the four who died.

"The little girl was so radioactive that she posed a substantial health risk to the staff," Dr. Gale said. "Dealing with her blood or urine became a major problem."

One of the deadly hazards of excessive radiation is destruction of the bone marrow, the tissue that gives rise to blood cells that are vital to all the body's functions, including defense against germs.

Some heavily irradiated survivors of Chernobyl were given bone marrow transplants, but the procedure is risky and it is used in radiation cases only if there appears to be no hope that the patient's own marrow will revive.

The cases in Brazil were not in this category, Dr. Gale said. Furthermore, the presence of radioactive material in their bodies would have damaged the transplanted marrow, reducing its chance for survival.

Nuclear waste cesium produces dangerously penetrating gamma radiation. Although it takes 30 years for half of it to decay harmlessly, much of it is gradually excreted from the body, so that most of it is gone after a year. Until then, however, it continues to damage the tissues.

Six of the most seriously ill patients were treated with a substance made naturally by the human body that stimulates growth of certain vital blood cells. Through genetic engineering methods it has been manufactured for use as an experimental drug.

The substance is granulocyte-macrophage colony-stimulating factor, known to specialists as GM-CSF. It was developed for medical use by Immunex, an American biotechnology company, and licensed to Behringwerke AG, a West German pharmaceutical company, for manufacture.

Dr. Gale was attending a medical conference in West Germany when the invitation came from Brazil to treat the radiation victims. The day before he left, he had heard a report by a doctor from Mainz on the medical use of GM-CSF.

On his way to the airport, Dr. Gale stopped in Mainz to pick up a supply. Thereafter, Behring sent additional supplies almost daily, at no cost to the recipients.

"I'm sure we used several million dollars worth of GM-CSF," Dr. Gale said.

Administering the drug is an exacting task. Small amounts must be given in a carefully regulated, continuous infusion over a period of 24 hours.

The infusion must go directly into the vena cava, the large vessel through which oxygen-depleted blood returns directly to the heart.

Dr. Gale said that in addition to the two patients treated with GM-CSF who recovered, three of the others showed that the treatment was actually stimulating their blood cell production. He said it would take a while to analyze data from the procedure.

But he said it appeared that the treatment would hasten recovery of patients whose bone marrow is damaged but not totally destroyed by severe exposure to radiation.

# Latin Peace Plan Seems to Shift Deadline

**MEXICO CITY** — A five-nation Central American plan designed to bring peace to the region by this week will not meet that goal, according to politicians and diplomats.

They say that the plan, for which President Oscar Arias Sánchez of Costa Rica won the 1987 Nobel Peace Prize, is running behind schedule and that its Thursday deadline has informally been extended until Jan. 4, 1988.

But officials close to Mr. Arias warn against writing the plan off because it failed to meet the deadline.

"The peace train is still moving," a Costa Rican official said this week. "There remain major obstacles on the track, but some of these could be removed with only a minimum of common sense."

He apparently was referring mainly to the impasse at the center of the plan — Nicaragua's refusal to negotiate a cease-fire with U.S.-backed rebels, called contras, and Washington's refusal to halt aid to the rebels.

Under the peace plan, the five nations, including Nicaragua, pledged to negotiate cease-fires, announce amnesties and grant individual and press freedoms by the end of the day on Nov. 5. The five presidents who signed the accord said they would meet on Jan. 4 to assess their successes.

Although the five nations' foreign ministers, in public announcements after a meeting in San José, Costa Rica, last week, stuck to the Nov. 5 deadline, it was clear that they were privately looking to January as their next focus, according to diplomats who followed the talks.

Alvaro de Soto, regional troubleshooter for Javier Pérez de Cuellar, the United Nations secretary-general, said last week that the Central American leaders did not consider the deadline to be "a straitjacket or a guillotine."

"This means that the pressure is off to have everything in place by that date," he said, adding, "January is probably more the key date than early November."

# Cardinal Says Rebel Pardon Is Critical

**United Press International**

**MANAGUA** — Cardinal Miguel Obando y Bravo, the head of a group monitoring progress on the Central American peace plan, has urged the government to reverse its decision not to grant amnesty to the contras.

"If we want this family to reconcile, we have to make an effort," he said. "It hurts to pardon the enemy, but we have to make the effort."

In his Sunday homily, Cardinal Obando, the Roman Catholic primate of Nicaragua, said he wanted to be cautious in reacting to an announcement last week by the ruling Sandinists in which they rejected talks with the contra rebels and said there would not be a broad amnesty.

The cardinal said he believed it was President Daniel Ortega Saverio, and not the full Sandinist leadership, who agreed to comply with the peace plan.

Cardinal Obando is a harsh critic of the Nicaraguan government, which appointed him to the national reconciliation commission that is to verify provisions of the peace plan.

Mr. Ortega, who is in Moscow for celebrations marking the 70th anniversary of the Bolshevik Revolution, is to return to Managua on Thursday.

# Hindu Leaders Are Held Over Widow's Suicide

**Agence France-Press**

**NEW DELHI** — The police arrested six Hindu religious leaders in the Indian state of Rajasthan for allegedly organizing rallies glorifying the ritual death of a woman on her husband's funeral pyre, state television said.

Roop Kunwar, 20, committed suicide, or immolation by a widow, Sept. 4.

Share the secrets of Cardhu.

Cardhu. 12 year old Highland Single Malt Whisky from the House of Johnnie Walker.

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INTERNATIONAL
Herald Tribune

Published With The New York Times and The Washington Post

Americans Have Changed

President Reagan's famous faculty for coming up a winner seems to have deserted him. His party lost the Senate last year, just as the Iran-contra story started trickling out. He bet a pile on Robert Bolt for the Supreme Court, and lost. World stock markets crashed. Waves of criticism surge in daily. Just when a sound, inspiring leader is needed, he appears more out of touch than ever. What else is new? It is not Ronald Reagan who has changed; it is the rest of us. The fault has not been only in the movie star but in ourselves. Americans wanted Norman Rockwell values so badly that they projected those values back to us brilliantly.

restoring American pride. People laughed off the on-camera naps, the continual misspelling, good luck quickly masked tragedy. He dispatched the marines to Lebanon without understanding that country's complex civil war. When 241 died in a terrorist bombing, he had ignobly to withdraw those who remained. But soon the public applauded the invasion of Grenada — and later the air strike against Libya. At Reykjavik, he almost settled precipitately on a world-wide strategic arms. NATO still trembles. Layer by layer, the Teflon began peeling away. The Iran-contra scandal showed that Mr. Reagan had presided over the secret sale of arms to Iran, the profits of which were used illegally to buy arms for the Nicaraguan rebels. Since then, his confidence and credibility have often been in doubt.

Keep Supporting Aquino

Nothing focuses American attention on a distant land faster than the death of an American there. Terrorists, knowing this, are in a position to send an instant message. But what is the message sent by the simultaneous killing of two American servicemen and a Filipino-born U.S. Air Force retiree outside Clark Air Base in the Philippines? Have Communist insurgents finally decided to take on American targets, figuring that the risk of drawing in the United States pales against the opportunity to exploit popular resentment of the American base? Or — this is the sort of speculation the miasma in Manila invites — has the right staged a provocation to dramatize President Corason Aquino's weakness for an American audience? This hardly exhausts the possible explanations.

military to put muscle behind her successful "people power" challenge to dictator Ferdinand Marcos. But at least five coup attempts have since been launched, and the leader of the last, Colonel Gregorio Honasan, flaunts his fugitive status. Her own vice president, Salvador Laurel, almost openly invites the military to put him in power. Mrs. Aquino acknowledges that people ask "Can she back it? Is she weak?" She means to be strong, something the Philippine political culture demands even as it also demands that she stay true in her democratic promise. Certainly she is beyond asking or receiving any relief on grounds that circumstances are cruel. Nor is it feasible for her to ask directly for too much American help. The aid, or the part of it that is delivered, is welcome, but the reminder of the immense American presence is not.

Waiting for the Sandinists

Central America is coming up to the day when the five signers of the Arias plan are to say how they intend to live up to their peace pledges. The key remains the response of the Sandinists. They have not lifted the state of emergency or granted full press freedom and amnesty, lapses that leave them in flagrant violation. First, they say, the United States must end all aid to the contras, which President Reagan refuses to do. It looks like an impasse. What is making a difference under the surface, however, is the performance of Costa Rica's president, Oscar Arias. His hand materially strengthened by the Nobel Peace Prize, he is pressing repeatedly to turn Nicaragua toward democracy by holding the Sandinists to their August pledges and by demanding that they go on and enter talks with the contras, as El Salvador and Guatemala have done with their guerrillas.

Washington nonetheless has a responsibility that extends beyond material support. It must stick with the elected president, against buccaneer colonels and against ambitious civilians like Salvador Laurel, the rebel-in-place who seems to hope that his rank assures him continued American backing if he were put into the presidential palace by a "constitutional coup."

Other Comment

Critical Days for Gorbachev This promises to be a critical week for the Soviet revolution, and it is Mikhail Gorbachev's misfortune that he cannot spend it entirely as he would have liked. In the war of nerves which goes on in the Central Committee of the party, one of his closest allies, the Moscow chief Boris Yeltsin, has finished first, giving a moral victory to the opponents of what Mr. Gorbachev is trying to achieve, or at least of the pace he has set himself in achieving it.

Organization of American States to start putting them into effect. If the Sandinists do not comply, he says, "the whole world should isolate them." President Reagan, meanwhile, has quietly agreed to let slip the date of his request for new contra aid. He will wait until after the day in early January when the five Central American heads of government are committed to make a final decision on whether the process can work. Mr. Reagan acted under Central American urging and congressional pressure. He may well feel that every day of delay in refunding the contras is a nail in their political coffin. Still, he did what had to be done to deny Managua any feasible basis for using the contras as an excuse for not delivering on its promises of democracy.

Go Into Debt and You Lose Autonomy

By Karin Liseakers and Martin Mayer. Economic growth, raising taxes and slashing government expenditures. Unfortunately, the United States will need higher interest rates, too, because it will continue to need foreign loans and investments to pay the bills that are this administration's legacy. After seven years of asserting the might and majesty of the United States, Ronald Reagan leaves his country in the state of Tennessee Williams's Blanche Du Bois. It is dependent on the kindness of strangers.

By Karin Liseakers and Martin Mayer. The sharp plunge in world stock markets requires a degree of cooperation among the United States, Europe and Japan not seen since the energy crisis. America must tackle its budget deficit, but collective action is needed to correct international imbalances. Without both, a global slowdown is a major risk.

There's Much That Glasnost Doesn't Mean

ST. LOUIS — The word glasnost has suddenly become as American as pizza, film, sauerkraut. But crossing the Atlantic, or perhaps the polar orbit of missiles, it has been transformed. In general parlance it is taken to mean only the personal style of Mikhail Gorbachev and all his policies, but the whole program for reform in the Soviet Union, which has several other sources.

bar in Vienna. Drink gradually overcomes suspicion and they begin to talk. "Now tell me the real truth: You fellows were behind Chernobyl, weren't you?" the KGB agent asks. "No, we had nothing to do with it," answers the CIA agent. More drink, another question. "Well, now admit you arranged Mathias Rust's flight to Red Square." "Certainly not, we were as surprised as you." Finally, the CIA man decides to own up. "I'll tell you what we did do, though. We helped arrange perestroika."

an attempt to force change in all kinds of assumptions. In East-West relations, there have already been a number of surprising moves, including dismantling of security as something that cannot be achieved by means but should be mutual, and a new attitude toward the United Nations. How far a shift in ideas will bring a shift in deeds remains to be seen.

Representative Tom Downey of New York brought home an example of how "new thinking" works on a human level from his last trip to the Soviet Union. Unexpectedly, Moscow allowed his congressional delegation to visit the controversial, highly secret radar site at Krasnoyarsk. When they stopped at a civilian airport on the way, one member of the group pulled out a camera. An angry policeman rushed up to announce that taking pictures was forbidden.

It's the 70th Anniversary of a Radical Coup

HERE are dogmas that will not be challenged. One of them is that this fall brings the 70th anniversary of the end of a feudal autocracy and the beginning of a workers' democracy. It is impossible to believe that anybody, East or West, is still fooled by the latter claim. But the former claim, too, is false. In the West, at least, we should be clear about the meaning of the occasion.

It was early in the morning of Oct. 26, 1917, that the Bolsheviks finally formed a government. But the fall of its czar, the magnificent moment of reckoning with the Romanov repression, should not be commemorated in October (or in November, as the Soviets do). The czar fell in February. The Bolsheviks did not even rise in the air. The liberals did. The Bolsheviks overthrew the liberals.

between February and October, to master the crisis of Russia: shortages of food, housing, clothes, fuel, crippling inflation; a breakdown in transportation and communication; a miserable war. The Bolsheviks benefited handsomely upon the new government's difficulties, upon its terrible struggle with the chaos of the country that the czar had left behind.

By the time the Bolsheviks came to power, they were popular. But it is easy to inflame the impatience of a hurting and newly unchained population. On the morning after a revolution, moderates will always be vulnerable to radicals. By the time the Bolsheviks came to power, they were not so much revolutionaries as profiteers of a revolution; and they would see to it that nobody would ever inflame anybody's impatience with them.

Take Global Action or Risk a Global Slowdown

NEW YORK — The sharp plunge in world stock markets requires a degree of cooperation among the United States, Europe and Japan not seen since the energy crisis. America must tackle its budget deficit, but collective action is needed to correct international imbalances. Without both, a global slowdown is a major risk.

Americans no longer can provide the fuel for world economic growth by borrowing abroad to finance purchases of imported goods.

vestment. Lower rates already are leading to a decline in the dollar that is welcome because it will increase U.S. export competitiveness. The dollar's decline is consistent with recent agreements to introduce more "flexibility" into last February's Louvre accords that sought to stabilize

required in Europe and Asia to help avoid a sharp weakening of their economies as imports from America increase and exports to America decline. Countries like West Germany and Japan naturally resist external pressure to modify fiscal, monetary and trade policies. So does the United States. But America's allies must see that the current situation is not tenable. The U.S. trade deficit must decline. American consumers no longer can provide the fuel for world economic growth by borrowing abroad to finance purchases of imported goods.

100, 75 AND 50 YEARS AGO

1887: Canal Convention CONSTANTINOPLE — Count de Montebello, the French ambassador, returned here yesterday (Nov. 1), bringing a copy of the Suez Canal convention between England and France. As soon as Sir William White is in receipt of his copy, the two ambassadors will communicate the convention to the Porte. It is believed that the Ottoman government will ask for explanations and propose the modification of certain articles. Italy, Austria and Germany have already signified their adherence to the arrangements, but Russia has not yet stated her views.

1912: Wilson Is Favored NEW YORK — The last installment of The Herald's Presidential pool indicates the election of Governor Woodrow Wilson by an overwhelming vote. Indications are that he will carry 31 states, with 360 electoral votes. This is 94 more than the neces-

sary majority. It gives President W.H. Taft six states, with an electoral vote of 21, and Theodore Roosevelt one, with an electoral vote of 7. The doubtful votes number 137.

1937: Worldly Analysis PARIS — Dr. S.H. Kraines, an American psychiatrist, finds the United States suffering from a "typical manic-depressive psychosis." France is "an elderly field spinster." Germany is "going through a depressive phase with marked paranoid symptoms." Italy is "a feeble-minded person who has seen others grow great," without any intellectual attempt to become important. Japan is "a small, dynamic, psychopathic personality," antagonizing other people by insisting on its own way. Russia is "a strong young man who has just passed through the throes of puberty." China is "a middle-aged, bald-headed man" wanting in her lone show. England is "a solid, settled business man" wishing to let things take their course.

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Come On, Car...
Rustle up t fam Call hor...
The Trade Is Frightening
The writer is vice chairman of Goldman Sachs International Corporation and a former U.S. assistant secretary of state for economic affairs. He contributed this comment to The Washington Post.

مكتبة التعل

OPINION

Come On, Canada, Don't Be So Nervous

By George F. Will

WASHINGTON — Aw, Canada. Lighten up. You are a world-class self-disparager. You almost seem to favor slight, such as the idea that Canada is something to be graduated from. But deep down — contrary to reports, there is a deep down in Canadians — Canadians are prickly nationalists. This is complicating the debate about the U.S.-Canadian free trade agreement.

The trade negotiations were front-page news in Canada and bottom-of-the-business-page in the United States. That reflects not only the fact that Canada's economy is much smaller and more protected, but also that in Canada arguments about commerce become entangled in arguments about cultural sovereignty.

On both sides of the border the agreement is a test of the ability of government to seize a continental opportunity against the opposition of narrow interests. In Canada, the opposition is a coalition of protectionist interests, including "domestic protectionism" such as farm subsidies, creates dependencies that cannot be terminated without pain, and democratic governments have low pain thresholds. Dependent groups constitute a lobby against the inconvenience of change, meaning freedom.

The trade agreement is belated in the U.S. Congress, which is preoccupied with the challenge of seaming serious about deficit reduction. However, the stock market's stagger has concentrated congressional minds on the need to demonstrate a capacity for governance, and there is anxiety that if the United States and Canada fail to agree on a free trade pact, the failure will send a dangerous signal to other trade negotiations.

In Canada, about half the opposition expresses concerns about material things — loss of jobs, markets flooded by (for example) U.S. wines. The other half of the opposition arises from cultural anxiety about being "absorbed by" and becoming "a mere expression of" America. This matters in a nation that cultivates negative nationalism: the pride of not being American.

Much of the apocalyptic rhetoric about the extinction of identity comes from the Toronto intelligentsia. Toronto, like

Toronto. Many Canadians referred, and may still refer, to that splendid institution as "the Harvard of the north," a description too typical of a nation with a crick in its neck from looking south.

It was a difficult time in U.S.-Canadian relations, which distinguished it not much from most times. Then there was anxiety about the number of American professors on Canadian faculties. I asked a class to define Canada's "national purpose." After an awkward pause, a student said: "Building the trans-Canadian railroad — that's all." When I said that surely there were other collective purposes, another student exclaimed: "You [Americans] took them all!"

It is easy for Canadians to imagine that all Americans are as disrespectful as Al Capone, who said, "I don't even know what street Canada's on." But Canadians should stop being nervous and start counting their blessings, beginning with Toronto, which is a modern miracle — a city that has become better as it has become bigger.

Canada has one great novelist (Robertson Davies), which means it has one for every 25 million citizens, the world's highest ratio. And although millions of cruzzed Minnesotans will disagree, Toronto has the world's best baseball team. Its two best players (George Bell, Tony Fernandez) come from the Dominican Republic, so Canadians should read lightly when the subject is free trade.

Washington Post Writers Group.



Evangelism Is an Old Story That Needs More Attention

By Roger Morris

LOS ANGELES — A sultry September evening in the Los Angeles basin in 1926. A throng is gathering at the huge Trinity Methodist Church to hear the inspiring Paul Rader, one of the vastly popular evangelists of the time. Among them is a father and his three

Bob Shuler in his Blue Ridge drawl commanded one of the largest radio audiences in the world. He led successful campaigns to drive officials from office or make the Bible compulsory reading in California schools, and he narrowly missed being elected to the U.S. Senate.

MEANWHILE

boys. He has taken the family before to hear the perspiring, thrifty sermons of Billy Sunday, and his own wife has been "saved" in a revival as a young girl.

But now he is seeking the spur of fire and brimstone, the comfort and favored salvation, all the more in the latest wave of evangelism sweeping America. They are all still grieving at the sudden death in the past year of a fourth and youngest son. A fierce worker trying to prove himself, especially to his wife's frowning family, the father sees God's punishment in the tragedy and, in penitence, even closes his small business on Sundays.

They are part of the ordinary folks whose little Fords crowd the parking spaces around the revival tents and temples, and whose devotion in money give the evangelists their formidable social and political power along with religious authority. Like the father and his boys, they are "mostly lower-middle-class people," writes one observer, "small shopkeepers, barbers, beauty-parlor operators, small-fry retailers, and the owners of hamburger joints... the uprooted, unhappy, dispirited lumpen proletariat."

But tonight they are going to forget, for a while at least, their agonies and powerlessness, their resentments and doubts. On Mr. Rader's command, the wide-eyed, sometimes weeping, almost frantic crowd will leap to its feet and surge down the aisles for the cleansing salvation.

"We joined hundreds of others that night," one of the father's boys will write, "in making our personal commitments to Christ and Christian service."

In 1987, as in that humid night over 60 years ago, the now-subtle, now-sensational influence of evangelical Christianity is so much a force in American life and politics. There is, of course, Jessica Hahn testifying before a federal grand jury in the scandal of Jim and Tammy Bakker and the PTL ministry. And the Reverend Pat Robertson, who made a strong showing in the Iowa straw poll, is recognized as a real contender for the 1988 Republican presidential nomination.

None of that is new, neither the circus nor the politics. In the 1920s, circus Sempie McPherson — "Sister Aimee" — drove an ugly devil around the stage of her Angeles Temple in Los Angeles and took the lusty lead in a dramatized version of Sodom and Gomorrah before her scandal-ridden ecclesie. The Reverend

Yet, then as now, there has been a tendency in the media, and especially in serious political commentary, to treat it all as some passing curiosity, to clock knowingly, sometimes to express a kind of bemused contempt.

The disturbing truth is that far too little is known about this vast, elemental force, about how much and in what ways evangelical religion shapes the government, and the governors, of all Americans.

The reality is far more than what bursts to the surface, the money and corruption and sexual temptations of sweaty preachers. There is something profound in the yearning, and in the substantial contributions of low-income people, that stand behind Mr. Robertson's candidacy, or in the moral fervor of much of the Reverend Jesse Jackson's constituency.

In the 1980s no less than in the 1920s, a political pathology is evident in this easy transition from pews to political aspiration. Already in this century, the compulsions of Americans' moralism and righteousness have set the agendas for political inquisitions, for B-52 strikes on Cambodia, for Supreme Court majorities. Yet the press stoutly, daintily refuses to examine the phenomenon with the seriousness and depth it obviously deserves.

It will not do to look at the evangelicals askance, like some freak show in an old Sinclair Lewis novel. The trouble with not knowing about what is really happening in these tents and temples, about who is standing next to you at the revival, is that you may be missing a past or future president of the United States.

Oh, yes, as for the father and his boys, they will go away this night in 1926 more than ever imbued with the zeal and inner fire. Believing the principal of the local high school to be a secret smoker, the father sends his oldest son far away to a Spartan religious school from which he soon returns with tuberculosis, setting the scene for still more family tragedy.

Yet it is the middle boy, at age 13, who takes the religion and its message most seriously, and who will quietly apply it later. He too is sent away to school. And after a shaky start in public-speaking class, he becomes something of a debater. He will go far beyond this emotional night of being saved, yet he never abandons the fierce self-righteousness of it all. His name is Richard Nixon.

The writer is preparing a two-volume biography of Richard Nixon. He contributed this comment to the Los Angeles Times.

LETTERS TO THE EDITOR

An Economic Forum for Testing Gorbachev's Reforms

At a time when economic analysts are embarking on a search for the significance of Soviet reforms and the definition of an appropriate Western response, too little attention has been given to the work of a forum that was quick to interpret the messages of change coming out of the Soviet Union and to put them to the test — the UN Economic Commission for Europe.

The commission — embracing the countries of Europe as well as the United States and Canada — has been working for 40 years to foster East-West cooperation in the economic and technical fields and to preserve it in times of crisis.

An example of the commission's accomplishments is the series of standards adopted by its bodies and applied throughout the region. It can also take credit for a convention on long-range

transboundary air pollution that was adopted in 1979, pre-dating other agreements to prevent damage to the forests of the continent from acid rain.

In September 1986, the commission organized a symposium on "East-West Business Opportunities and Trade Prospects" in Thessaloniki, Greece. In an unprecedented move, it invited not only representatives of the member countries but also businessmen, including representatives of the Soviet enterprises equipped, one assumes, with newly acquired autonomy. The mixture proved successful; the exchanges were both lively and useful.

The openness of the discussion led Western Delegates to bring up questions which a year earlier were still somewhat unorthodox, such as possible Soviet association with GATT and the Bretton Woods institutions, greater Soviet involvement in the world economy, etc.

The controversy aroused by the report of the commission assembled by the Institute of East-West Securities Studies, as to whether the West should make "pre-emptive" rather than "reciprocal" concessions to the Soviet Union, underlines the timeliness of the Thessaloniki experiment, as well as the role the UN

Economic Commission for Europe can play in focusing on East-West economic interaction. The commission should be encouraged to pursue its exchanges between governments, enriched with the participation of Western businessmen and their Soviet-bloc counterparts.

ATHANASIOS PETROPOULOS, Geneva.

Ambassador Petropoulos, Greece's permanent representative to the United Nations in Geneva, is a past president of the UN Economic Commission for Europe.

On With the Slaughter

There is an interesting contrast between James R. Dickenson's opinion column "Stop the Public Slaughter of Candidates" (Oct. 13) and James Reston's "The Next President Should Be Evaluated in Time" (March 16). It is disturbing that Mr. Dickenson is so preoccupied with a candidate's electoral prospects. Mr. Reston was more to the point when he suggested that the press could perhaps, by reporting in depth on candidates' character, education and so forth, spare us "the political follies of the past."

If presidential contenders cannot favorably stand up to press scrutiny, then so be it. Better we find out before those flawed characters bring us more "gates"

(Water or otherwise). Surely this screening process is not, as Mr. Dickenson argues, a slaughter to be avoided but rather a vital public service.

MICHAEL P. HYLAND, Muscat, Oman.

Any man fool enough to walk into town with some rope and a stool tied to his back warrants investigation. Gary Hart and Joseph Biden went further, climbing on the stool and fastening the rope to a tree. Thank goodness today's marshals, the press, kicked the stools out. Better to "hang" a candidate than a nation. Three cheers for the stool kickers, and keep up the good work.

KENNETH SCOTT SCHWARTZ, Potomac, Maryland.

Long before I became interested in politics, I knew that people made mistakes, large and small. I also came to understand that they could learn from their mistakes. What makes presidential candidates different?

I am 17 and plan to seek public office someday. When I do, I hope the press gives me a chance to step up to the plate and take some pitches. I pray they don't bury me after a first strike.

MICHAEL MITCHELL, Mbabane, Swaziland.

Free Trade Is Frightening

THE idea of absolutely free trade between nations is a frightening one to many people in Congress — those politicians who believe their re-election hinges on "protecting" their district. The United States and Canada recently reached a free trade agreement. It is likely there will be a great deal of disagreement on both sides of the border with some of the specific provisions. However, we believe that the agreement is in the best interest of both countries. Both countries will profit overall when it is implemented.

— The Intelligencer (Wheeling, West Virginia).

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Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

10 YEARS AGO

majority. It gives President Taft six states, with an electoral vote of 21, and Theodore Roosevelt with an electoral vote of 17, and doubtful votes number 157.

1937: Worldly Analyst

PARIS — Dr. S.H. Keames, an American psychiatrist, finds the United States suffering from "typical depressive psychosis." Generalissimo, fearful of a "young" through a "depressive psychosis" with marked paranoid personality is "a feeble-minded person who has seen others grow great" and has seen others attempt to become "intellectual." Japan is "a small, dependent, psychopathic personality." Russia is "a street boy other people." China is "a man who has just passed through the throes of puberty." England is "a 40-year-old, bald-headed man" who is "a failed business man" who "wishes things take their course."

The Washington Post.

Advertisement for AT&T. Text: 'Rustle up the family. Call home.' 'Even when you're away for just a few days, you long for the comfort of your own home: the warmth of your own family. So why not give them a call? Reach out and touch someone!' AT&T The right choice. Includes an image of a desert landscape with a cactus and a house.

Advertisement for Cartier Jewellers. Text: 'L'ART D'ÊTRE UNIQUE'. 'PARIS LONDON NEW YORK MONTE-CARLO GENEVA MILAN'. 'Cartier JEWELLERS since 1847'. Includes an image of a Cartier necklace.

# On the West Bank, Bitter Lessons in Tolerance

By Glenn Frankel  
*Washington Post Service*

**EFRAAT**, Israeli-occupied West Bank — Majid was a young Arab who traveled from his home in the village of Beit Fajar each morning to work as a clerk in the supermarket of this Jewish settlement on the West Bank. He was bright and ambitious, and he soon came to the attention of Shlomo Riskin, the community's New York-born chief rabbi.

Mr. Riskin wanted to learn Arabic, and Majid offered to teach him. They would meet two or three times a week to study. Although Mr. Riskin's family was uneasy about Majid, the Friday morning lesson would always take place at the rabbi's home.

Then one day this year a bomb went off at the main intersection outside Efrat. The military authorities told Mr. Riskin that Majid was a prime suspect. Although he was

never charged, Majid left his job and vanished.

That ambiguous encounter symbolizes the Israeli community's efforts to close the gap between Jew and Arab and its mixed success.

At first glance Efrat looks like a typical Jewish outpost in occupied territory — ribbons of modern, box-shaped stone apartment buildings and paved roads laid across the tops of connected hills.

But this four-year-old community just south of Bethlehem does not fit many of the stereotypes commonly held about settlements. The birds who roost here are doves, not hawks. Their language is not of Jewish domination but of peaceful coexistence between two peoples whose historical, religious and moral claims on the area they see as equally valid.

"I think we as Jews have the right to live here, and I think we've got to be strong in order to protect ourselves," said Mr. Riskin, a transplanted New York City resident.

"But at the same time, we've got to act with compassion. That's the fundamental meaning of Judaism, and if you don't understand that, you don't understand what Judaism is all about. Destiny has put Jews and Arabs together on this land from the very beginning of the Bible, and we've got to learn to live with each other."

But in an area where Arabs and Jews view each other with deep suspicion and fear, such sentiments

are hard to put into practice. Bombs have exploded twice on the town's outskirts.

Nonetheless, Mr. Riskin and his supporters have made a number of gestures of good will. They share their water supplies and garbage collection with two nearby villages. When Arab farmers faced harvest problems, Mr. Riskin dispatched students from his schools to help.

There have been some tentative responses. Salem Takatke, head of the Beit Fajar village council, attended Mr. Riskin's installation three years ago, kissed the rabbi's cheek and prayed for peace in Hebrew as well as Arabic.

But Mr. Takatke says his people still see the Jews of Efrat as usurpers, here only because of Israel's conquest of the region 20 years ago.

"As people, they're better than the other Jews in the West Bank," said Mr. Takatke. "But the idea is the same as at Kiryat Arba."

Before Israel's independence in 1948, the land near Efrat was part of Gush Etzion, four Jewish kibbutzim built on property purchased from a local sheikh in 1928. Holocaust survivors helped settle the area, located off the winding, ancient highway that connects Jerusalem, Bethlehem and Hebron. In 1948 it was overrun by Jordan's Arab Legion, who killed all but four of its 152 defenders.

When Israel captured the area in 1967, relatives of the original set-

tlers quickly recaptured Gush Etzion. Four years ago, they started building Efrat on seven neighboring hilltops. They say the hilltops were public land and never cultivated because they are too exposed.

"No one lived here before, so I'm not taking anyone's land," said Chaim Milkowsky, a Talmudic scholar from Baltimore. "We're simply reclaiming land that once belonged to us."

The view is different from Beit Fajar. Residents say there were once olive trees atop the hills, that the army took the communal land and handed it to the settlers. "It is nonsense to say it's not Palestinian land," said Mahmoud Takatke, the council leader's brother, who served a jail term for backing the Palestine Liberation Organization. "Efrat belongs to us."

There are 282 families now, but planners hope to turn Efrat into a city of 20,000, which could make it the West Bank's largest settlement.

Mr. Riskin believes some of the message has gotten through. He heads a rabbinical court that residents can turn to with local grievances. Twice in the last six months, Arab workers have brought disputes with their Jewish employers to him instead of going to the district court in Bethlehem. In one case the Arab won, in the other the Jew.

"The fact that they came to me at all is very important," he said.

# Palestinians Protest 1917 Anniversary

**JERUSALEM** — Palestinians staged strikes, demonstrated and stoned Israeli vehicles in the occupied West Bank and Gaza Strip on Monday, the 70th anniversary of the Balfour Declaration in which Britain pledged support for a Jewish homeland in Palestine.

All stores were closed in Arab East Jerusalem. Strikes were also reported in Gaza and in the West Bank towns of Nabulus and Ramallah. Soldiers tried to force storekeepers to open and welded closed the shutters of those who refused.

Two Israelis were injured when a bus was stoned near Hebron.

An Israeli military spokesman said there were sporadic disturbances in several parts of the occupied territories but added: "It's not as bad as maybe we expected."

Army reinforcements were sent into the West Bank before Balfour Day, the first of a series of anniversaries during November that often bring Palestinian unrest.

**Gadhafi to Miss Summit**  
The Libyan leader, Colonel Moammar Gadhafi, said on Monday that he will not attend the Arab meeting in Amman, the official JANA agency, quoted by The Associated Press, reported in Tripoli.



**FRENCH LEADER IN ISRAEL** — Prime Minister Jacques Chirac of France was embraced Monday by an Arab resident of the village of Abu Gosh, near Jerusalem. Mr. Chirac is on a three-day state visit to Israel.

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# Rebels in Angola Are Reported to Have Repulsed Major Assault

By David B. Ottaway  
*Washington Post Service*

**WASHINGTON** — U.S. officials say that rebels in Angola, using sophisticated anti-armor and anti-aircraft weapons supplied by the United States, turned back the Angolan Army's biggest effort in 12 years of fighting to capture the rebel headquarters.

In several weeks of fighting that subsided in mid-October, the rebels inflicted heavy losses on the Angolan government troops, which are supported by Cuba and the Soviet Union, the officials said.

The success has strengthened administration support for its covert military aid program to the rebel forces of Jonas Savimbi's National Union for the Total Independence of Angola, according to these officials.

Some senior U.S. officials suggest that the administration increase its annual \$15 million in aid to reduce UNITA's dependence on South Africa, whose long-range artillery and air power played a role in turning back the latest government offensive.

The administration has been

providing UNITA with Stinger missiles. This year it sent TOW antitank missiles and other weapons to help it cope with the expected heavy use of armor in the Angolan Army's offensive.

At the same time, the administration has decided to take a tough stand on Angola's recent request for admission into the International Monetary Fund.

Both the State Department and Treasury Secretary James A. Baker 3d wrote to Senator Dennis DeConcini, Democrat of Arizona, in mid-October assuring him of U.S. opposition to Angola's IMF application.

**South Africa Raid Killed 150 Namibia Guerrillas**

**JOHANNESBURG** — South African forces have attacked a guerrilla base in southern Angola, killing more than 150 Namibian guerrillas and losing 11 men, the military headquarters in Pretoria announced Monday.

A statement, which gave few details, said the "pre-emptive" strike

— at least until Angola reaches an agreement with Washington on withdrawal of Cuban troops.

The administration appears determined to keep up military and political pressure on the Luanda government, which has recently shown signs of flexibility in negotiations with the United States about a timetable for withdrawal of the 37,000 Cuban troops.

In a recent briefing, U.S. officials said Mr. Savimbi's forces seized from the Angolan Army "very substantial" quantities of Soviet weapons — including tanks, armored per-

sonnel carriers, trucks and a few SA-8 and SA-13 anti-aircraft missiles.

The rebels, with some South African artillery and air support, also "decimated" the Angolan Army's 47th Brigade and "seriously beat up" three or four other brigades during the three-pronged attack on Mavinga, the gateway to UNITA's main stronghold of Jamba in far southeastern Angola, according to the officials.

The fighting began in late August and ended in mid-October with the retreat of six to seven Angolan Army brigades to their main

base at Cuito Cuanavale, 125 miles (200 kilometers) northwest of Mavinga.

The Angolan government spent two years preparing for the offensive and used 10,000 troops, U.S. officials said.

The Soviet Union provided about \$1 billion in arms. Soviet and Cuban advisers helped in planning and executing the offensive, but no Cuban troops were used, the officials said.

UNITA said it captured two Cuban pilots, whose MiG-23 jet fighter was shot down Oct. 28 over eastern Angola.

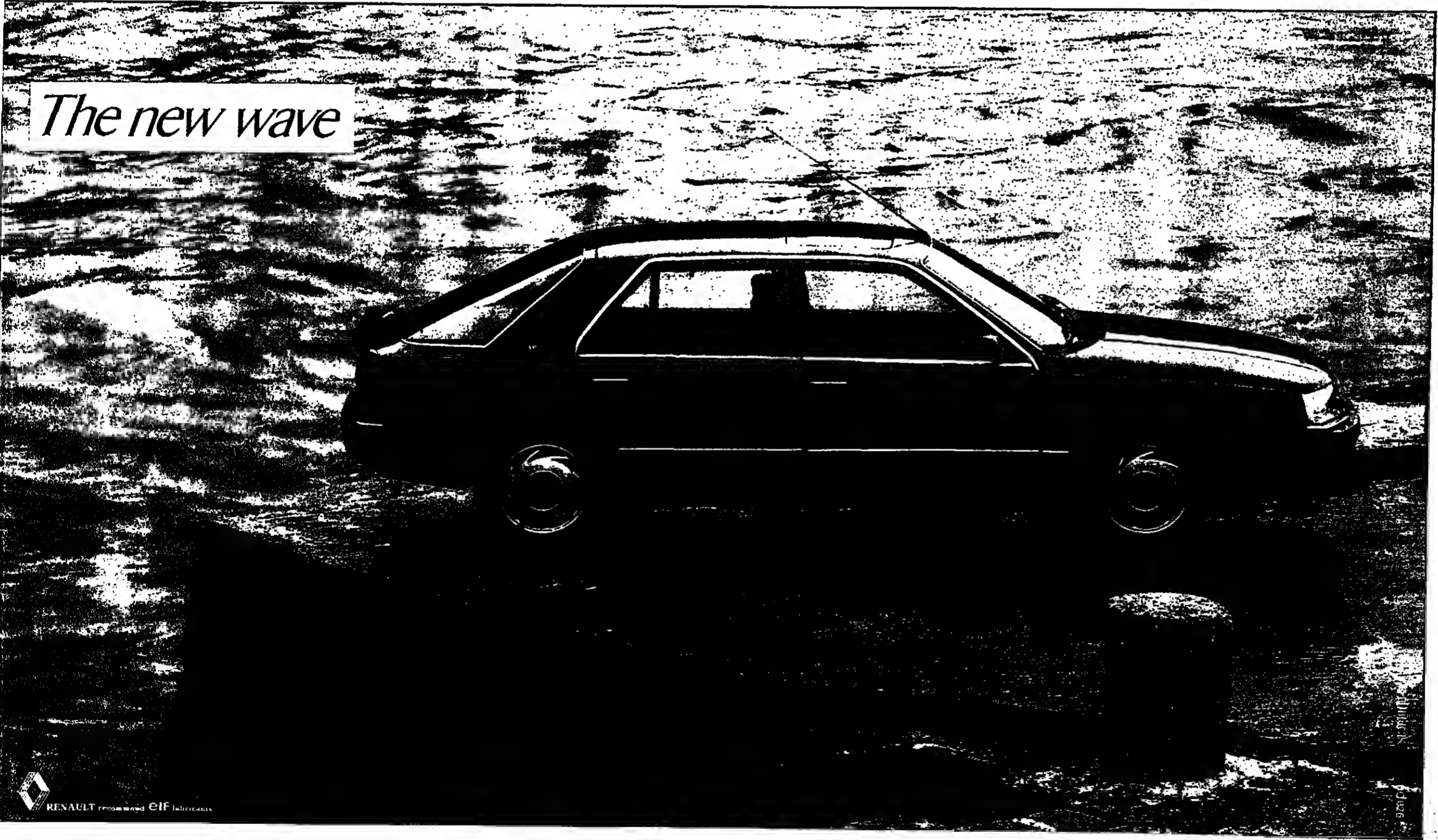
In a report Oct. 15, the Luanda government said it had shot down six South African Impala planes, three Mirages, four other unidentified planes, at least four helicopters and one light reconnaissance aircraft. It also said that four regular South African battalions and its "Buffalo Battalion" of special forces crossed into Angola.

U.S. officials said they believed that only one South African spotter plane and maybe one Mirage were shot down. They said both the South Africans and the Angolans and their Cuban allies, fearful of each other's improved air defense capabilities, were generally "less aggressive" in the air.

Guerrillas of SWAPO, the South-West Africa People's Organization, who have waged a low-level war for Namibian independence since 1966, traditionally use ground cover provided by the rainy season to cross the Angola-Namibia border on sabotage missions.

The army statement did not identify the SWAPO base attacked, saying merely that it was north of Owambo, the northernmost Namibian province.

The statement did not say whether the South African-led forces met resistance from the army of the Angolan government, which Pretoria often accuses of sheltering SWAPO fighters.



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Dawn Mello, president of...

# Prague Leagues of Don G...

By Henry Klum...

With a minimum of... Prague Leagues of Don G... Dawn Mello concluded the first part...

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ARTS / LEISURE

Lacroix Triumphs in New York Debut

NEW YORK — Short of a tick-ner-tape parade, New York could not have given Christian Lacroix a warmer welcome. This was the American debut of the new wonder boy of Paris fashion and all last week he put up with the schedule of a chief of state.

From ABC's "Good Morning America" to interviews with just about every publication in town, Lacroix was lionized by press, stores and socialites. There is nothing New York loves more than a winner. As Women's Wear Daily said in its headline: "Lacroix Takes New York."

The designer was brought over by Bergdorf Goodman, whose astute president, Dawn Mello, said: "In my whole career, I've never seen anything like it. There's a spirit about the man, a charm and energy that we haven't seen in a long time."

Mello said Lacroix visited other stores in town but came back to Bergdorf.

Explaining his choice, Lacroix said: "There's a certain elegance about this store which is typically New York."

The week's piece de resistance was a black-tie, \$500-a-plate gala Wednesday night, the profits of which — \$300,000 — went to the Society of Memorial Sloan-Kettering Cancer Center and its AIDS research program.

The evening's chairwoman was Blaine Trump, whose quiet blond beauty was perfectly suited to Lacroix's mauve, fuchsia-colored couture creation.

The evening was a solid class act — from the location, the Infty glass-enclosed Wintergarden of the newly developed Financial Center, to the fireworks, tango dancing and table decorations, the latter in orange and hot pink, Lacroix's favorite colors. All chairs were slipcovered in hot pink and orange cabbage roses, flown from France.

The Lacroix so-called Luxe collection was displayed on plaster mannequins while his flamboyant couture collection was shown on live mannequins against a stark Carrizague background, as it was in Paris.

And just as in Paris, the designer, pelleted with flowers, got a standing ovation.

The gala attracted the fashion

HEBE DORSEY

crowd — including designers Calvin Klein, whose wife, Kelly, wore the Duchess of Windsor's \$1 million pearls, Diane von Furstenberg, Kasper, Caroline Roehm and Donna Karan, who just signed up with the Genny group to produce a knit-wear line.

Also there was Genny's president, Donatella Girombelli, who will produce the Lacroix ready-to-wear line next March. But there were also such unexpected people as CNN's Ted Turner, Malcolm Forbes and Evan Galbraith, the former ambassador to Paris, with his wife, Marie.

Forbes, who said it was his first fashion show, declared it "very exciting," while Galbraith called it "the most creative thing I've seen since Yves Saint Laurent. This guy is money in the bank."

Donald Trump, who is more used to the corridors of power than to flimsy fashion shows, came up to Lacroix and said: "Congratulations. You're terrific."

Also there were Mikhail Baryshnikov, for whom Lacroix is designing costumes for his next ballet, "Gaité Parisienne," and Bianca Jagger who ate potato chips with great aplomb while wearing black satin gloves.

Every woman who could get her hands on a Lacroix wore it — including Gloria von Thurn and Taxis, who looked wonderful in black velvet and mink bolero; Faye

Dunaway, who made a late entrance, and Anne Arnault, the wife of Bernard Arnault, head of Financière Agache, which owns Lacroix as well as Dior.

The next day was business as usual for the designer, with an appearance at Bergdorf's. The response was \$300,000 in orders before the day was over, as well as a lot of interest from women eager to meet the designer. The following day, a spokesman for the store said: "We're still taking orders all day so this figure is going to go way up." These sales applied to the designer's Luxe collection, which retails between \$2,000 and \$10,000. His couture line is sold only in Paris.

Other prominent events kept the designer running all week. They included lunch at the Four Seasons with Ralph Lauren — "after which I went to his boutique and spent myself into ruin"; a small dinner party at Mello's apartment with Calvin Klein and Baryshnikov, followed by a visit to Bergdorf's Lacroix windows, which had already attracted scores of copyists; a white-orchid-decorated cocktail party given by Girombelli; luncheon at Jim McMullen's given for 65 pretty socialites by Blaine Trump; cocktails at The New York Times, courtesy of the magazine's fashion editor Carrie Donovan, and cocktails at Randolph Hearst 2's, whose young wife, Veronica, is another Lacroix fan.

Finally, on Sunday night he got the ultimate accolade for his contribution to fashion. He was among a group of designers, at the "night of stars," that included several international designers.

And how did the hero feel about all this? He appeared totally unspoiled by the brouhaha. "I feel like a kid," he said. "I'm not sure it's all happening to me. I just hope to be up to all this buildup."



Anne Arnault wearing a Lacroix creation at New York gala.



Dawn Mello, president of Bergdorf Goodman, with Christian Lacroix.

Prague Lets Anniversary Of 'Don Giovanni' Slip By

By Henry Kamm

PRAGUE — With a minimum of fanfare, Prague let one of the great anniversaries of operatic history slip by on Thursday night. Two hundred years ago, in this city, Mozart conducted the first performance of "Don Giovanni."

The event, which the United Nations Educational, Scientific and Cultural Organization cited as an anniversary of special significance in its cultural calendar for the year, was celebrated by a routine performance of the opera. It did not even take place in the theater that saw the premiere.

No commemoration distinguished the performance, no guest star took part, and nothing in the program signaled the exceptional occasion. No publicity to speak of has announced the few events connected with the bicentennial of one of the greatest works of music and poetry.

The Tyl Theater, one of the most beautiful Baroque stages surviving in Europe, is being renovated and was not ready to be the site, as it was on Oct. 29, 1787, of the performance of the work that is forever associated with it. This fault in planning is regarded as a discredit to the cultural authorities.

"The National Theater didn't even want 'Don Giovanni' on its birthday," said a knowledgeable Czechoslovak musical personality. "It had to be performed at the German Theater."

In fact, the theater where Thursday's performance took place is now called the Smetana Theater. But memories of the time when Prague was culturally bilingual linger, although the house was rebaptized in 1945.

Many Czechs feel strongly that the anniversary honor should have been snatched up by the National Theater, which was built in the last century as a bastion of Czech culture from donations by Czechs.

The Czechoslovak musical personality, reflecting a general feeling, said Prague had badly repaid the affection that Mozart felt for this city and its musical public, whom he called "my Pragers." Prague loved

"The Marriage of Figaro" more than Vienna had, and commissioned "Don Giovanni."

Even on his first visit to Prague, two years earlier, his arrival was announced with joy in the local press. "Last night our great and beloved composer, Mr. Mozart arrived here from Vienna," the Prager Oberpostamtzeitung reported, misspelling the composer's name.

The next day, after attending a ball at which melodies from "Figaro" were played as dance music, Mozart wrote to a friend in Vienna: "Here they talk nothing but 'Figaro.' Nothing is played, sung or whistled but 'Figaro.' No opera is drawing like 'Figaro.'"

What the opera houses failed to do for the anniversary has been partly repaired by a lovingly assembled exhibition at the music department of the State Library. Two musicologists, Jitrenka Peskova and Tomislav Volek, have gathered a collection of scores, librettos, posters and old prints that document Mozart's presence here.

The local popularity of Mozart's operas is attested by many scores of contemporary transcriptions that were made for a variety of instruments and voices, even with religious texts to make the arias suitable for church performances.

Referring to another work produced here, one which has not made musicologists happy, Peskova said she hoped the exposition and its handsome catalogue would help undo the peculiar view of the composer conveyed by Milos Forman's film "Amadeus" and other legends about Mozart.

"We don't see Mozart through the prejudiced eyes of Salieri, as Mr. Forman did," she said. "We know that he was merry and sociable, but in the film this borders on the unbearable."

Peskova said a musicologists' symposium had also been held but not announced to the public. The Vienna Philharmonic was to mark the anniversary with a rare visit here Monday, under Claudio Abbado, with a Mozart program, including the "Prague" Symphony.

But that concert, too, has not been announced as a commemoration by the authorities.

DOONESBURY



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At the heart of Germany's financial capital: Helaba Frankfurt



Helaba Frankfurt in brief. A solid banking partner. Helaba Frankfurt is a government-backed universal bank ranking among Germany's foremost financial institutions with total assets of DM 69 billion. It offers a broad range of commercial and investment banking facilities as well as brokerage and investment advisory services.

Advertisement for CHARTER CHIC COUNCIL travel services, featuring an X-MAS FLIGHT for \$2,750 RT. Includes a list of student/youth fares to various international destinations.

Advertisement for Helaba Frankfurt, Hesse's Landesbank-Girozentrale, listing its head office and branches in New York, London, and Luxembourg.

Assault
Marcos Samondo, a UNITA spokesman, said that they would send the pilots at a press conference in Jamba on Nov. 11. U.S. officials said Angolan government and South African military involvement on the side of UNITA probably were exaggerated. But they said they believed that African artillery guns and craft played a role in UNITA's victory.

APART
U.S. officials said they believed that only one South African plane and maybe one Mirage were shot down. They said both the South African and the Angolan pilots were generally "aggressive" in the air.

- IT is one of the world's foremost producers of automotive equipment.
- IT is one of the largest luxury hotel chains in the world.
- IT is a leader in defense technology.
- IT is an insurance company with assets of \$19.8 billion.
- IT is one of the fastest growing financial service companies in America.
- IT is a partner in the largest telecommunications manufacturing company in the world.

# What is IT?

ITT is a 17.4 billion dollar corporation that knows exactly where it is going. But it wasn't always this way.



There were businesses we could grow that were clearly "Us." And others that just as clearly weren't. We parted company with many, but held on to those product and service businesses which offered

the chance for industry leadership.

Then we rolled up our sleeves and worked to help those businesses grow and prosper.

And grow they did.

Last year, ITT Automotive sold equivalent of more than \$100 worth of equipment for every car manufactured in Europe and the United States.

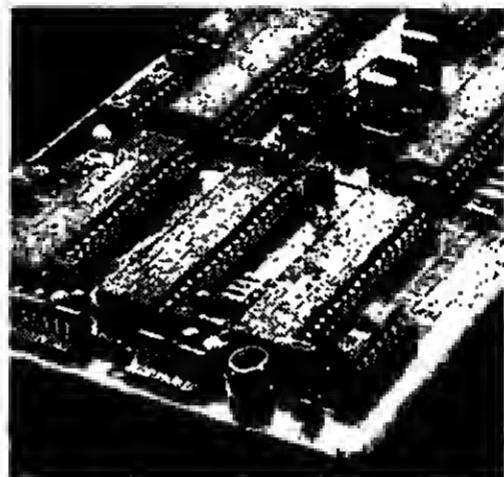


And grew more than 30%.

Two of its major units are Teves GmbH, developer of anti-lock braking systems, and SWF Auto-Electric GmbH, a leader in wiper-system technology.

Our Sheraton Hotel chain grew to nearly 500 hotels, inns and resorts in 62 countries worldwide, including 14 major cities in Europe.

ITT Intermetall, a unit of ITT Electronic Components, is among the leaders in the pro-



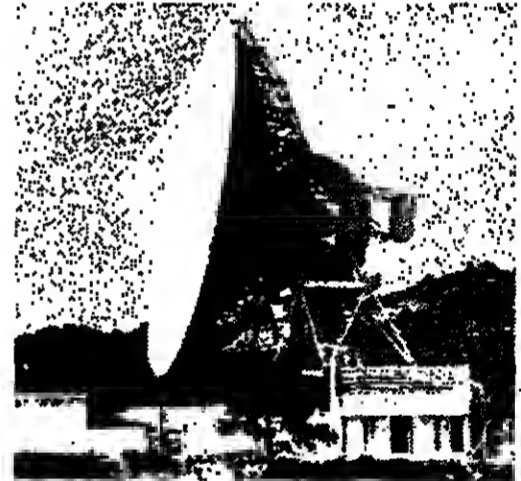
duction of integrated circuits. And it developed the microchip for the most exciting video product in 30 years: digital television.

Worldwide premiums for The Hartford Insurance Group totalled \$4.5 billion

for the first six months of 1987—an 11% improvement over first half of 1986.

ITT Financial Services has completed twelve consecutive years of record revenue and income.

And our joint venture with CGE, Alcatel N.V., has given us 37% ownership in what is now the largest telecommunications manufacturing company in the world.



These are just six of the businesses we're in that are already leaders in their fields. We're also leaders in Fluid Technology, Defense Technology, Communications and Information Services and Natural Resources.

The hard work is paying off. In the first 6 months of 1987, net income is up 60%, totaling \$427 million, or \$2.80 per share, compared to \$266 million, or \$1.75 per share for the first 6 months of last year.

And we've only just begun.

**IT is ITT**  
BUILDING BUSINESSES INTO LEADERS

ITT Corporation, 320 Park Avenue, New York, N.Y. 10022

هكنا من النحل

Talk it over with DE  
The international bo  
that listens.  
WALL STREET W  
Pick of Post-Cras  
Slow-Growth Per  
By VARTANIG G. V  
NEW YORK — There is a  
back to the drawing board  
selections. Now, after the  
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are "most likely  
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of stocks to its customers. It  
Public Service Enterprise Group, A  
General Public Utilities, Plack  
Comcast, Keefe and Keefe, The  
Bristol-Meyers, Schering-Plough  
Recommendations in other primary  
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E.P. Hinton & Co. also named its  
W. Jeffrey M. Appelgate, Hinton's ch  
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along with AT&T, Hinton added the  
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Global West Financial, J.P. Morgan, Pa  
Bancile, Procter & Gamble, Schlus  
Corp, OC International and Kellogg.  
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Talk it over with DKB. The international bank that listens.

TUESDAY, NOVEMBER 3, 1987

WALL STREET WATCH

Pick of Post-Crash Crop: Slow-Growth Perennials

By VARTANIG G. VARTAN
NEW YORK — There is nothing like a record crack in equity prices to send Wall Street research departments back to the drawing board for a fresh set of stock selections.

Second, many of the new favorites are viewed as benefiting from the lower interest rates and slower economic growth generally envisaged for 1988 as an aftermath of the stock market slump.

Investment firms are emphasizing stocks that are likely to do well in hard times.

Prudential-Bache Securities offered a list of stocks that its analysts say are "most likely to outperform the market during difficult times."

Prudential-Bache recommends 37 stocks to its customers. In electric utilities, the choices were Public Service Enterprise Group, Southern California Edison and General Public Utilities.

After Dark, Night Crew Rules Wall Street

By Kurt Eichenwald
NEW YORK — Past midnight on Wall Street, long after most of the traders and brokers have gone home, the financial district is calm and quiet.



Wall Street at night. The building with columns is the New York Stock Exchange.

At the center of power for this financial night shift is a small band of computer technicians and operators whose job is to settle billions of dollars of trades every day.

"From midnight until dawn, we're pretty much the kings of Wall Street," said Boris Bihansky, manager of systems and computing at Depository Trust Co.

Talks to Avert Strike Continue

NEW YORK — Negotiations continued Monday between Wall Street officials and union representatives of clerical workers, some of whom have voted to authorize a strike against already hard-pressed exchanges.

Wall Street starts to return to a more normal pace.

Each night, every Wall Street house sends the records of its day's trades by computer to the Depository Trust's mainframe computer.

Dollar Slides To 40-Year Low Against the Yen

NEW YORK — The dollar closed sharply lower Monday, numbing to a 40-year low against the yen, amid belief that the Group of Seven industrial nations are prepared to see an orderly decline in the U.S. currency, dealers said.

The dollar closed 1.45 yen lower in New York at 136.95, against 138.40 on Friday. The fall through 137.25 yen marked a 40-year low.

The Bank of Japan, the Bundesbank and the Swiss National Bank reportedly bought dollars during the morning in Europe.

But in the absence of further intervention, the dollar continued to fall in Europe and New York.

The dollar also closed nearly 2 pfennigs lower at 1.7105 Deutsche marks, against 1.7290 on Friday.

At one point, the dollar dropped as low as 1.7065 DM. That was only slightly above the 1.6995 DM reached in January 1980, which the New York Federal Reserve Bank said was the lowest for the dollar against the mark since major trading nations abandoned fixed exchange rates in March 1973.

The dollar also closed in New York at 1.4140 Swiss francs, down from 1.4300, and more than 5 centimes lower at 5.8080 French francs, down from 5.8625.

The dollar was also lower against the British pound, which closed at \$1.7400, against \$1.7220 on Friday.

Factory Orders, Building Outlays Climb in U.S.

WASHINGTON — New orders for U.S. manufactured goods and spending on construction rose sharply in September, the Commerce Department said Monday.

Despite signs of growth represented by the two reports, most economists believe the U.S. economy will slow as a result of last month's stock market collapse.

Factory orders rose \$2.31 billion, or 1.1 percent, in September to a seasonally adjusted \$205.7 billion, and more than 5 percent in August.

Construction spending rose \$6.2 billion, a 1.5 percent increase from August's level, to a seasonally adjusted annual rate of \$406.3 billion. The August increase was revised downward to 0.1 percent from 1.6 percent.

For Third World, Stock Rout Means Debt Savings — for Now

By Clyde H. Farnsworth
WASHINGTON — One unexpected result of the lull in the stock markets is the help it is giving developing countries in coping with the debt crisis.

Officials at the World Bank and the International Monetary Fund said they had yet to determine whether adjustments are needed in the projections issued recently for 1988 world economic growth.

Developing countries are already suffering from slow economic growth. At around 3 percent, the rate is barely above that of population increases.

But the stock market changes of the past two weeks "have not yet had an impact on expectations for the real economy in developing countries," said Jean Baneth, director of the international economics department at the World Bank.

An IMF economist who asked not to be identified commented, "If the general policy response is right, we might not lose much economic growth. If it's wrong, we could face a global downturn."

He said he saw "positive effects" from Washington's principal policy response to the stock market plunge, which has been to pump money into the banking system.

Third World problems, added that if the stock market instability "frightens governments into more serious efforts at coordination, that would be beneficial to developing countries."

His point was that the improved cooperation could stave off a recession that would hurt Third World exports.

Although all exchanges have been battered in the past two weeks, markets in many emerging countries still compared favorably as of last week with levels at the beginning of the year.

From Dec. 31, 1986, through Oct. 26, share prices were up 225 percent in Taiwan; 161 percent in Mexico City; 102 percent in Seoul; 80 percent in Bangkok; 61 percent in Santiago; 34 percent in Harare, Zimbabwe; 20 percent in Manila; 14 percent in Kuala Lumpur, Malaysia; and 8 percent in Bombay.

Currency Rates

Table with columns for Currency, Bid, Ask, and other rates. Includes Gold Rates and Forward Rates.

Interest Rates

Table with columns for Term, Rate, and other interest rate data.

Key Money Rates

Table with columns for Instrument, Rate, and other money rate data.

Asian Dollar Deposits

Table with columns for Term, Rate, and other Asian dollar deposit data.

U.S. Money Market Funds

Table with columns for Fund Name, Yield, and other U.S. money market fund data.

Gold

Table with columns for Location, Price, and other gold market data.

Ginsburg's Law: Crime Lacks Economic Efficiency

In Chicago Style, Supreme Court Nominee Applies Lessons of the Marketplace

By Stephen Labaron
NEW YORK — If Douglas H. Ginsburg is confirmed to the Supreme Court, it will represent a watershed for the economics-based legal theories associated with the University of Chicago Law School.



Douglas H. Ginsburg

Judge Ginsburg is the first student of Richard A. Posner, a renowned Chicago theorist and federal appellate judge, to be chosen for the Supreme Court.

For decades, the law school at Chicago, Judge Ginsburg's alma mater, has been known as an incubator of legal-economic thinking.

At 41, Judge Ginsburg is young enough to have the opportunity to be as influential in applying these theories as Justice William O. Douglas was in spreading the Yale tradition of legal realism.

At the Chicago school, the lessons of the marketplace have been rigorously applied to a wide-ranging assortment of legal problems.

Rather than focus on fundamental rights of individuals to determine legal outcomes, this school of thought is based on cost-benefit analysis. Its advocates emphasize that the goal of law is and should be to increase society's wealth and diminish economic inefficiencies.

Judge Ginsburg provided a glimpse of his views on the subject in an unpublished article on file at the offices of the Columbia Law Review. Dated Nov. 4, 1979, it is based on a lecture he delivered at Chicago's law school while he was an assistant professor at Harvard Law School.

The piece is called "Blackmail: An Economic Analysis of the Law." In 41 pages, it tries to demonstrate an economic basis for outlawing blackmail.

blackmail presents a paradox. A person has a right to reveal incriminating information about someone else, and also has a right to seek money or gain from that person.

But if the two acts are combined into a threat to reveal the information unless a payment is made, then it is blackmail.

Despite the paradox, Judge Ginsburg maintained that prohibiting blackmail "is an economically rational rule" because it discourages people from consuming cer-

tain resources without producing any gain.

He found blackmail to be inefficient because it "consumes real resources" and yields "no product other than the enjoyment of spite or of an enhanced reputation as a credible issuer of threats."

Another article by Judge Ginsburg, published in the Harvard Law Review last year, takes his economics-based legal views even further. It states that regulatory agencies ought to decide important policy questions by carefully weighing the costs and benefits to society.

In his many writings, Judge Ginsburg's mentor, Judge Posner, has applied fundamental principles of the marketplace to aspects of the law that at first glance seem far removed from economics.

Judge Posner, who is to Chicago legal theory what Milton Friedman is to Chicago economic theory, has applied his theories on the relationship of economics to law in almost every conceivable legal field. In a 1985 article, for instance, he wrote that criminal law can be explained as if its purpose were to promote economic efficiency.

He tried to show that, in effect, crimes bypass the market, and are therefore inefficient. After detailing "economic inefficiencies" associated with rape, Judge Posner wrote, "All this may be a hopelessly labored elucidation of the obvious, that rape is a bad thing; but I think

it useful to point out that the economic analysis need not break down in the face of such apparently non-economic phenomena as rape."

There is no unified Chicago legal-economic thought, and a federal judge on the Court of Appeals for the District of Columbia once noted that economic principles,

See GINSBURG, Page 17

Think rich! GRINDLAYS CAPEL-CURE. A member of the ANZ Group.

THE ROYAL OAK. ONE OF THE GREATEST DESIGNS OF THE 20 TH CENTURY. Audemars Piguet. La plus prestigieuse des signatures.

ARGENTINE REPUBLIC EXTERNAL U.S. \$ BONDS AND BONOS NOMINATIVOS THE WESTON GROUP

TRADE FUTURES \$18 round-trip commission. Now you can trade futures contracts with America's largest futures discount firm for only \$18 round-trip commission.

otive world. lion. grated cir- veloped the ne most ex- duct in 30 elevision. premiums rd Insurance \$4.5 billion 11% im- mpleted revenue. essess we're r fields. logy, Defens Information n the first 6 0%, totaling ompared to r the first

NYSE Most Actives table with columns: Vol., High, Low, Last, Chg.

Market Sales table with columns: NYSE 4 p.m. volume, AMEX 4 p.m. volume, OTC 4 p.m. volume.

NYSE Index table with columns: High, Low, Close, Chg.

Monday's NYSE Closing Via The Associated Press

AMEX Diary table with columns: Class, Prev.

NASDAQ Index table with columns: Class, Prev., Week Ago, Year Ago.

AMEX Most Actives table with columns: Vol., High, Low, Last, Chg.

Dow Jones Bond Averages table with columns: Class, Chg.

NYSE Diary table with columns: Class, Prev.

Odd-Lot Trading in N.Y. table with columns: Buy, Sell, \*SHT.

Dow Jones Averages table with columns: Open, High, Low, Last, Chg.

Standard & Poor's Index table with columns: High, Low, Close, Chg.

NASDAQ Diary table with columns: Class, Prev.

AMEX Stock Index table with columns: High, Low, Close, Chg.

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Large table of stock prices with columns: 12 Month High, Low, Stock, Div., Yld., PE, etc.

Singapore, Nasdaq to Form Tie

SINGAPORE — Singapore's second securities market, the Stock Exchange of Singapore...

Table of stock prices for Singapore and Nasdaq, including columns for 12 Month High, Low, Stock, Div., Yld., PE, etc.

Dividend 50c per common share

Payable: December 15, 1987. Record: November 20, 1987. Declared: October 28, 1987.

Table of stock prices for companies with dividends, including columns for 12 Month High, Low, Stock, Div., Yld., PE, etc.

Table of stock prices (continued from previous table).

PERSONAL INVESTING IN THE IHT THE SECOND MONDAY OF EACH MONTH. EDITED FOR THE SOPHISTICATED INVESTOR — AN ESSENTIAL GUIDE TO OPPORTUNITIES AND PITFALLS — WORLDWIDE

Table of stock prices (continued from previous table).

PANHANDLE EASTERN CORPORATION logo and name.

Recently invested unprecedented. And last week, struggled to stay. This massive particular event, and by the fundamen. Here are the Robert J. Farre. 'Fear is probably man. Psychology part in the recon will be playing a in the weeks ahead. We think the r shocks and testi couple of weeks. Emotional clim itically in history. cases like 1929 i ahead. In others and the recovery. Since we belie 1962, there shou coming months climax declines four months of n when economic in 1962 when the We are sure p investors as gett and sudden nat far beyond the fu sends an opportu the highest qual

Large vertical advertisement on the right side of the page with text: 'Ame', '6P', 'a m', 'the', 'sha', 'we', 'Recently invested...', 'And last week...', 'This massive...', 'particular event...', 'by the fundamen...', 'Here are the...', 'Robert J. Farre.', 'Fear is probably...', 'man. Psychology...', 'part in the recon...', 'will be playing a...', 'in the weeks ahead.', 'We think the r...', 'shocks and testi...', 'couple of weeks.', 'Emotional clim...', 'itically in history.', 'cases like 1929 i...', 'ahead. In others...', 'and the recovery.', 'Since we belie...', '1962, there shou...', 'coming months...', 'climax declines...', 'four months of n...', 'when economic...', 'in 1962 when the...', 'We are sure p...', 'investors as gett...', 'and sudden nat...', 'far beyond the fu...', 'sends an opportu...', 'the highest qual'

Handwritten Arabic text: 'مكاتبنا في لندن'

## A message from Merrill Lynch.

# "Psychology will play a major role in the movement of share prices in the weeks ahead"

—ROBERT J. FARRELL  
CHIEF MARKET ANALYST

Recently investor uncertainty abruptly caused an unprecedented decline in the worldwide equity markets. And last week, selling continued as the financial markets struggled to stabilize.

This massive selloff was not caused by any one particular event, and there is little evidence that it is justified by the fundamental values of the equities being sold.

Here are the thoughts of our Chief Market Analyst, Robert J. Farrell:

*"Fear is probably the most powerful emotion affecting man. Psychology, therefore, not only played an important part in the record-breaking equity market decline, but it will be playing a major part in the movement of prices in the weeks ahead.*

*We think the major damage has been done, but after shocks and testing will probably continue over the next couple of weeks or until confidence begins to rebuild.*

*Emotional climactic declines have occurred periodically in history. This is one of the most severe. In some cases like 1929 it portended difficult economic times ahead. In others, like 1962, the economy stayed strong and the recovery began within six months.*

*Since we believe the current situation is more like 1962, there should be opportunities to reassess things in coming months under less emotional conditions. Selling climax declines have invariably been followed by two to four months of recovering prices. This was true in 1929 when economic fundamentals were deteriorating and in 1962 when they were not.*

*We are sure preservation of capital is as important to investors as getting a satisfactory return. But the extreme and sudden nature of this decline appears to have gone far beyond the fundamental realities and therefore represents an opportunity for those willing to assume risk in the highest quality common shares.*

*At this point, conservative strategies, with ample cash, an emphasis on quality bonds and a focus on finding the best values in quality equities are suggested."*

Whatever market volatility we face in the days ahead, we are committed to demonstrate to you the highest degree of professionalism and service.

This is no time to go it alone. At Merrill Lynch, we want to help. Around the world, our Financial Consultants stand ready to offer clients sound and objective advice. One to one. Person to person. Because we want to continue to earn the trust of our clients worldwide.

For more information, contact any of our offices in the following cities:

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#### ASIA/PACIFIC

Hong Kong • Manila • Nagoya • Osaka • Singapore • Sydney • Tokyo

#### AMERICAS

Buenos Aires • Caracas • Miami • Montevideo • New York • Panama City • Santiago • Sao Paulo

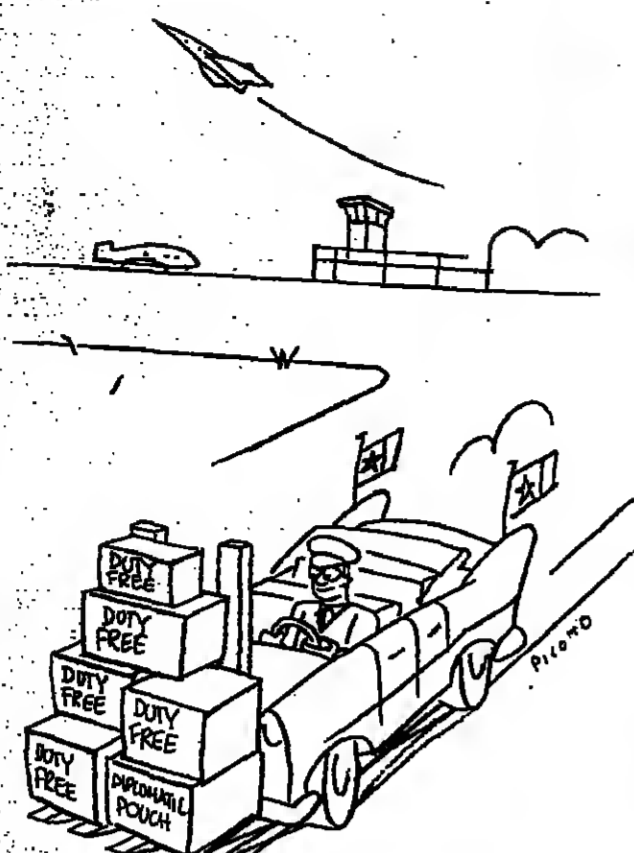
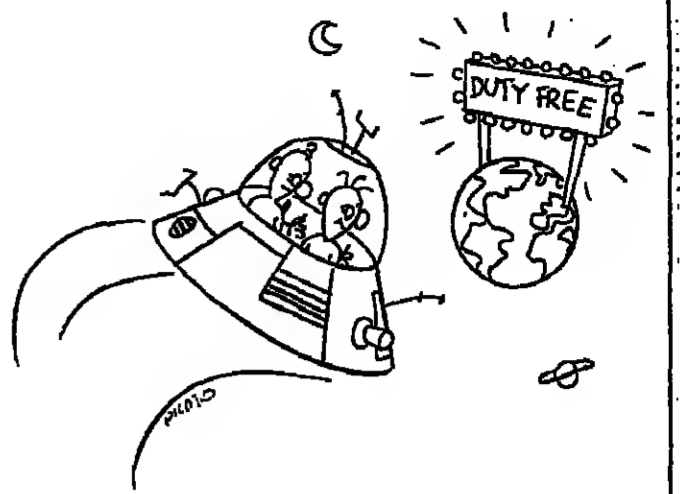


## Merrill Lynch



# THE WORLD OF DUTY FREE

## Shopping



### On the Off-Duty Scene

The term is generally applied to goods in airports or in flight, at sea ports or on board ship. These are the duty free zones, but who are the duty free people?

#### Diplomats

THOSE travelers who are lucky enough to get on a flight out of Brussels on a Friday evening may, as the flight progresses, regret their good fortune. For the bureaucrats on their way home for the weekend are probably carrying their week's supply of duty free goods crammed beneath the seats and overflowing the lockers.

Duty free supply is more than a diplomatic privilege, it is big business. On the grand scale it is limited to a few highly specialized suppliers. A glance through the catalogs of firms such as Weismann, Chacoli de Decker, Saccone and Speed — all of them large enough to rival any mail order company — show the range of goods available to furnish embassies in style. It was even rumored that at least one supplier could provide 'bugs' for the walls and secretaries for the typing pool.

Supermarket style shopping is provided by direct sales shops, epitomized by Unocity in Vienna, Diplomatic Cash and Carry in Brussels and International Product Supply in the Hague. As Andy Oerde, chairman of IPS, explains, "Direct sales shops operate like local supermarkets but with different customs facilities. The advantages are that the purchase is immediate with direct contact between consumer and product."

Other embassies are supplied direct from large duty free customs bonded warehouses such as Saccone and Speed who have offices in London, Paris and Cyprus. There are also mail order companies such as Euromonde International in Holland.

Naturally, overseas embassies insist on a supply of national products. In this way a highly valuable official endorsement is given to national produce, and the social whirl of the political circuit provides a prestigious showcase for exporters.

#### Armed Forces

Every country, particularly those maintaining an armed presence overseas, extends



duty free sales privileges to those on active service abroad. Sales to sailors in foreign waters — the origin of this whole

AFTER a year of mixed political fortunes but further dynamic growth, the \$8 billion duty free industry meets again in Cannes. "By the Trade, for the Trade," the third Tax Free World Exhibition, opened its doors on Monday to its largest ever show at the Palais des Festivals et des Congrès. This year has already seen similar conventions and exhibitions in the United States, the Far East and Britain, but nothing to rival the sheer size and the diversity of Cannes '87.

The opening conference, "Moving towards Tomorrow," set the theme. Organized by the trade paper Duty Free News International and chaired by Vivien Raven and Julien Fox, it provided an up-to-the-minute progress report on today's rapidly evolving duty and tax free business. Papers were read by speakers active in the industry — operators from airports, airlines, shipping and cross border shops and suppliers representing tobacco, liquor, and perfume manufacturers.

Heading the list of hot topics was last year's EEC dismissal of the "seventh directive" concerning the integration of the European market by 1992. The results are likely to be wide ranging in their effects on airline ticket prices, industry unemployment and passenger dissatisfaction, going far beyond Europe itself. A timely paper by David Bernstein showed how strong lobbying and industry representation protected the American duty free business when it was under threat in 1983 and 1985.

The four 'villages' that make up the most acreage of the open span exhibition hall are packed with more

town. Manufacturers, many of whom have rented nearby chateaux, hold exclusive dinners for buyers and trade associations. Delegates congregate in the restaurants of the Croisette for noisy dinner parties. Everyone seems to end the evening in the Camel Club, sponsored by the cigarette manufacturers, where disco music rocks on into the wee hours.

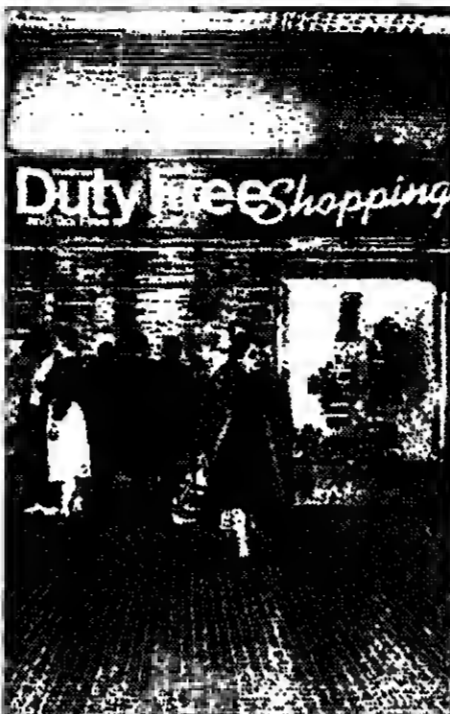
On Friday, as the Tax Free World Exhibition comes to an end, long lines will form at hotel check-out counters and airport check-in counters. The contractors who have been lurking in the background will move in to dismantle the glittering displays. As the departing delegates bid the winter sunshine farewell they may well reflect on the good times past and problems to come. Whatever their conclusions, it was all in the course of duty free.

benefited vacationers for decades before air travel dominated global movement. Such sales gave rise to the British NAAFI and American PX store for land based forces. These large, retail organizations on overseas bases use the supermarket format to sell everything from a pack of cig-

arettes to a pack of cigarettes. Offshore oil rigs qualify for duty free privileges in much the same category as ships. Workers marooned in international waters certainly earn their perks, but the confined quarters and closed community have led to a prohibition on the sale of alcohol.

#### Offshore Workers

retires to an automobile. While less aggressively run than their civilian counterparts, they are a useful revenue



Heathrow's duty free shopping complex.

more than 3,000 delegates from all over the world. They represent the wide diversity of trade from which all travelers benefit in some way. Even if they never buy anything in a duty free shop it is likely that their travel costs are subsidized by the income from this vigorous, young industry.

The duty free trade, which began in 1953, is well represented in this show of international brands and luxury products. Over 400 of the world's leading companies, a record number, are showing their peers the products that travelers will be seeing in duty free shops in the coming year.

Away from the hustle and bustle of the exhibition halls delegates find a variety of ways in which to relax or change pace. Major publishers, keen for advertising business, host cocktail parties and dinners on board luxury yachts or play golf on the mountain courses behind the

Since the program's inception in May, so much time has been saved that not only have

### Portable Computer Eases Airline Sales

OPERATING a fleet of 12 of the latest Boeing aircraft to the sun spots of Europe, Monarch Airlines is well aware that duty free sales are vital revenue earners. On-board sales make a major contribution to the charter airline's strategy of keeping ticket prices and other costs as low as possible. But with a shopping list of 140 items, Monarch needed to create more time for its cabin crews to attend to passengers. In addition, operating trolleys in confined spaces was frustrating and sometimes inefficient.

They approached Inn-Inventory Computers Ltd, which had developed a computer program to handle stock control and sales in the catering industry. Inn-Inventory in turn introduced Husky Computers, which specializes in making rugged shock-resistant equipment. The outcome is the Husky Hunter computer and a unique program to cope with inflight duty free sales and all the complications of foreign currency.

At the end of the flight, the data from all the computers is fed into a disc via the master Husky. That disc is handed in with the re-sealed trolleys for customs and company records. Other world airlines have expressed keen interest in the system, and a special company, Husky Airsales, has been established to sell the system. It is also being demonstrated at the Martinez Hotel in Cannes this week during the Tax Free World Exhibition.

duty free sales increased but an extra round of the refreshment trolley has become possible. Drink sales have jumped 26 percent. Monarch expects to cover its initial investment costs within twelve months.

A disc with a list of goods for sale is taken on board each flight. It takes about 25 seconds to load this into a master Husky computer which, along with slave, satellite Huskies, rides on the trolleys while sales are made. The computers show whether it is an inward or outward flight and the categories of sales. A minimum of twelve currencies is obtainable so that whatever money is given for the purchase, the calculation for change is immediate and accurate.

Since the program's inception in May, so much time has been saved that not only have

# Fly Buy DUBAI

## The DUTY FREE Capital of the World!

The next time you fly East or West, make a scheduled transit stop at Dubai International Airport. Take this excellent opportunity to stop and shop at Dubai Duty Free Shopping Complex, the World's No. 1 for best value shopping. Our amazing choice of prestige DUTY FREE products ranging from perfumes, cosmetics, electronics, fashion wear to gold, pearls and even furs, at the world's lowest bargain prices, are the best buys you will ever make. And our elegantly designed DUTY FREE SHOPPING COMPLEX will be an added delight to your shopping stop at Dubai International Airport.

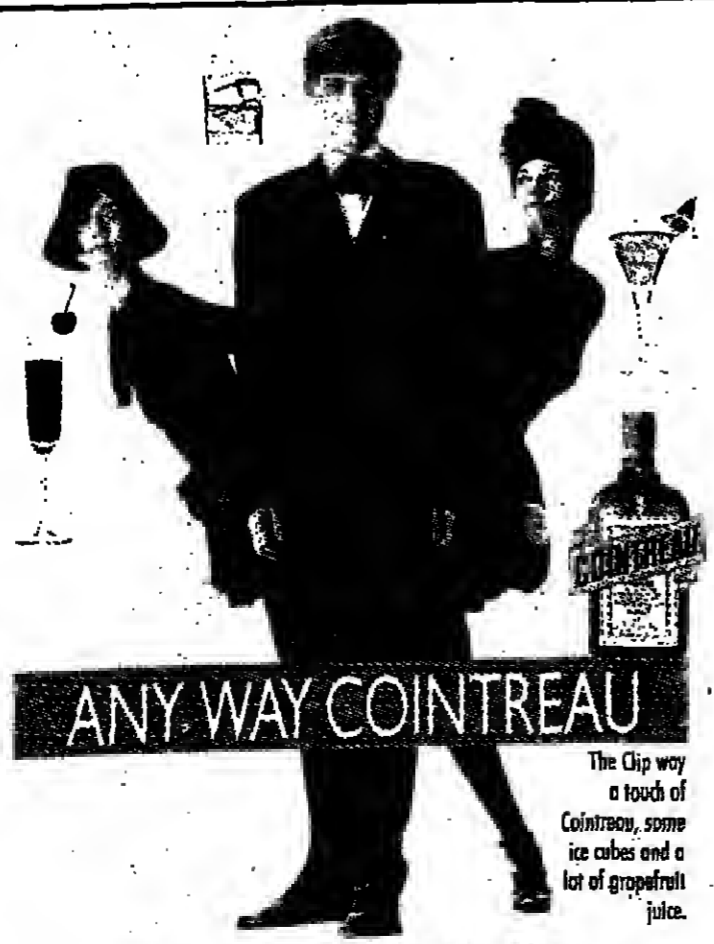
The world's best value Airport DUTY FREE Shopping



Triple Award Winning DUTY FREE

DUBAI INTERNATIONAL AIRPORT

DUTY FREE SHOPPING COMPLEX



### ANY WAY COINTREAU

The CIP way a touch of Cointreau, some ice cubes and a lot of grapefruit juice.

Sachez apprécier Cointreau de toute façon et avec modération.

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S INTO LEAD

Are you entitled to a tax-free Volvo? Many people working or living abroad find the purchase of a tax-free Volvo a fast and trouble-free process.

- Volvo 780 Grand Touring revised
Volvo 760 First class travel
Volvo 740 Estate The five-door luxury sedan
Volvo 480 The future is now

Form with fields for Name, Address, City, Country, Phone, Nationality, and a Volvo logo.

ONE of this year's big financial news stories was the offering of shares in the British Airports Authority. Part of the government's policy to privatize state authorities, it highlighted the profitability of commercial concessions such as duty free shopping, banks and car parks.

British Airports Vie for Leadership

of key importance. Of the seven airports BAA operates in Britain, Heathrow and Gatwick now rank first and second in the world for the

movement of international passengers. These are the potential duty free shoppers, part of a 250 million strong captive market which is aggressively encouraged to spend time and money buying anything from a bottle of fine cognac to a pair of socks.

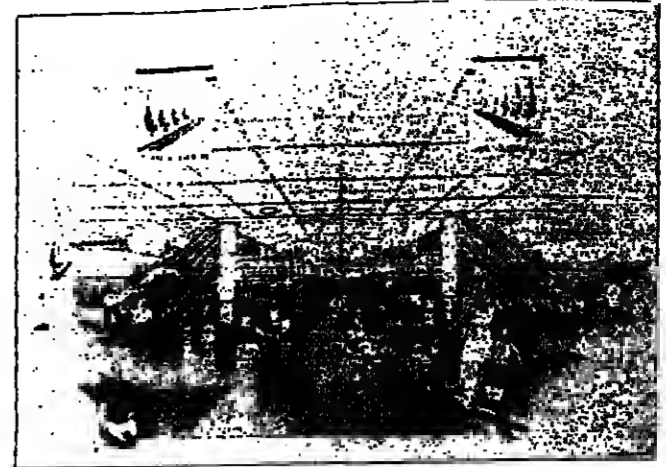
Strong marketing, modern retail design and layout, an ever-increasing diversity of products backed by strong advertising have made the BAA the world leader in duty free selling.

Johnson Kane, director of commercial services, believes the developments he has in hand should improve the airport's prime facilities. From the John Lewis Partnership, he has brought the best of

High Street retailing experience to lead his team of expert marketeers. The rapid expansion of the range of goods on offer has brought an inevitable broadening of quality. This, in turn, has begun to concern those companies that sell classical products in duty free and zealously guard their long-standing images.

To achieve this end, British Airport Services are counting on familiar names backed by worldwide advertising. A higher level of shop fitting will also add distinction. Special promotions will be monitored to insure that they maintain a standard of excellence in their content and presentation.

Johnson Kane and his team have interviewed some 74 international retailers and suppliers anxious to make their mark at Britain's airports.



Gatwick's new North Terminal.

Their final choice is a skillful blend of known, proven brand names and products with a selection of exciting, fast-growing newcomers.

Training is already in hand to insure a better product knowledge among shop assistants. To further streamline the operation for customers in a busy, computerized sales system will speed the transaction while giving information.

The whole package of developments will be revealed for the first time with the opening of Gatwick's new North Terminal. Experience shows that today's shoppers know what they want when they set out to make a purchase. They are better informed and more analytical.

This has led major retailing groups to redesign their flagship stores to provide a "total shopping experience" where goods are displayed with greater excitement and involvement.

A recent world survey of business travelers by the Geneva-based International Federation of Airline Passengers' Association showed London's Heathrow to be the third best in the world for duty free shopping after Amsterdam and Singapore.

Advertisement for Dunhill watches featuring a watch image and the text 'QUALITY CRAFTSMANSHIP AND STYLE. THE DUNHILL MILLENNIUM.'

ALFRED DUNHILL LIMITED
10 DUNN STREET, LONDON SW1P 6DL

China, A Decade of Growth

CHINA'S duty free business dates from 1979, when the Chinese government began a policy of "opening to the outside world and activating the domestic economy."

Since then, the growing number of opening cities and an expanding tourist trade have brought about the development of duty free business. Today there are 43 duty free outlets in China, from the Dalian city in the northeast to the Haikou seaport in the south.

In 1986 nearly 1.5 million tourists visited China and in the first quarter of 1987 tourism was already up 18 percent. In addition, 13.5 million expatriate Chinese return annually to visit their homeland.



Developing China's duty free market.

increase of the total sales works out as 20 percent each year. (In 1986 total sales were worth US \$70 million).

With the expanding of the Chinese duty free market, the time has come to take steps

toward the standardization and regularization of the business. To meet the requirements of the Chinese government, a series of measures has been implemented to improve the unified system of business management, strengthen the pricing mechanism, control the stock more effectively and promote sales to the maximum extent.

China's duty free market is managed by the state authorized company "China National Duty Free Merchandise Corporation" (CNDPMC). CNDPMC is responsible for negotiating with suppliers,



concluding transactions, placing orders, fixing the retail prices, making payments and setting up the regulations for and on behalf of all Chinese duty free shops.

China's inexhaustible tourist resources, its stable political situation and its steady economic growth are the best guarantees for the development of tourism and the duty free business.

Goldpfeil. This traditional name stands for highest quality all over the world. Our reputation began in Germany as early as 1856 when Ludwig Krumm began manufacturing cleverly designed and beautifully made purses and wallets.



Enquiries: Goldpfeil Leasing Kaufhaus AG, P.O. Box 101662, Kaiserstrasse 39-49, D-6020 Offenbach, W. Germany. Telephone: (069) 40500. Telex: 4152 880.

PARIS TORONTO FRANKFURT MÜNCHEN
HAMBURG MIAMI MEXICO CITY SINGAPORE
TOKYO HONGKONG TAIPEI MELBOURNE

GOLDPFEIL

Advertisement for Berentzen Appel gin with a bottle image and text: 'THERE'S ONLY ONE GIN FOR THE WELL-INFORMED.'

Advertisement for Berentzen Appel Germany's best-selling light fruit spirit with a bottle image and text: 'T F W E Red Village M 15'

DUTY-FREE CAR SALES

LOOKING FOR A NEW CAR? Confused about regulations? Looking for Europe's best prices? We have all the answers. Super low insurance rates and Danish export plates valid 2 years.

TAX FREE CARS
world wide sales of BMW - Mercedes Jaguar - Porsche - B2/Bentley, and all other makes. Competitive prices. Ask for price list for the makes you are interested in.

DNA MOTORS A.S.
75 Hvidovrevej, DK 2650 Copenhagen, Tel 451.47.1100
Telex 15034 Fax 1.470566

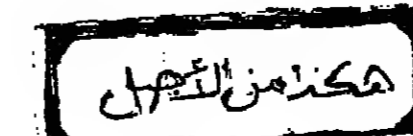
BMW-ELDER - Frankfurt's Top Address for used cars. Tested, maintained, reliable. Tax Free BMW & high quality foreign makes permanently on stock.

BUY YOUR NEXT CAR TAX FREE AND SAVE
In the specialized field of tax-free cars and motorcycles, Shapco offers you unequalled service and reliability.

Form for car purchase with fields for Name, Address, City, Postal Code, Country, and a 'SHIP SIDE' button.

Abu Dhabi Who on earth

Advertisement for Abu Dhabi Duty Free with text: 'Anytime you fly from or Middle in at the Internat your world shopping' and 'ABU DHABI DUTY FREE' logo.





THE WORLD OF  
**DUTY FREE**  
*Shoppers*



**One Year Old and Growing**

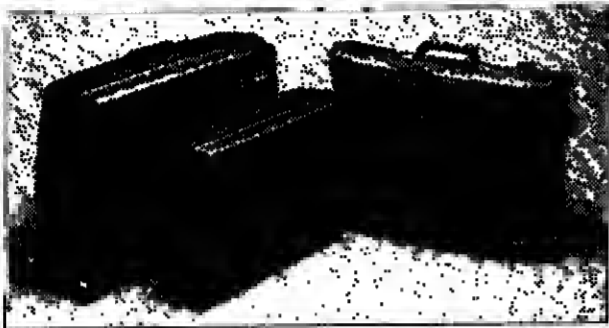
**D**URING its first year, the Duty Free Club has received the accolade of Best Duty Free Marketing Program from both Frontier Awards in Cannes and On-board Magazine Awards in the United States.

Travelers have shown their enthusiasm for 'the frequent international travelers club' by joining in the thousands. The organization now has members in over 143 countries.

Why is it proving so popular? Because the Club enables travelers to benefit from more than just low duty free prices by linking purchases of selected brands to the collection of points toward high-quality free gifts.

Which brands? The original 14 (Ballantine's, Courvoisier, Canadian Club, Kahlua, La Maria, Maker's Mark) have been joined by a further 11. They include Harvey's Sherris, Cockburn's Port, Lamb's Rum, Moreau Chablis, Teacher's Whiskey, Caroleans Cream Liqueur, Irish Mist Liqueur, La Ina Sherry and Carlos I Brandy from the House of Donqecq.

At the same time, rewards have been extended. In addition, to quality Delsey lug-



**40 POINT START FOR IHT READERS**

International Herald Tribune readers are offered a special bonus offer to join the Duty Free Club—a 40 point start. Simply purchase any one of the Club brands from any duty free shop and send it together with your business card to:

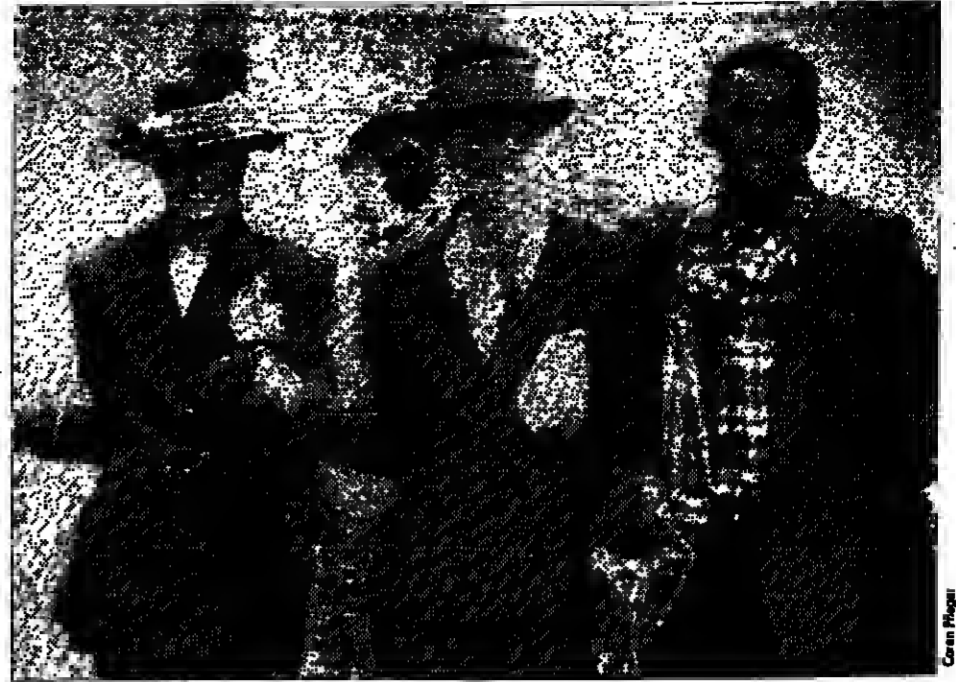
The Duty Free Club  
Department HT2  
Hendon Road  
Sunderland  
Tyne & Wear  
SR9 9X2  
England

Your 40 free points plus the points from your initial purchase will be credited to your membership passport.

gage, the Duty Free Club now offers a range of luxury electronic games that are particularly appealing to the frequent traveler, plus a fascinating Anglo-Saxon game of skill and strategy known as Bombaire—a game that combines the accuracy of pool, the cunning of chess and the speedy excitement of backgammon.

Extra benefits include an upgrade deal with Hertz Business Class—those that order a standard saloon car receive an executive class model at the same rate.

The Club now runs its own Courtesy Desk at key periods within the year at major international airports. Specialist staff are delighted to answer any questions relating to the Club and offer promotional bonuses and tastings on selected Club brands.



**DUTY FREE FASHION**

**P**EOPLE who shop in duty free stores are among the most style conscious and discriminating in the world. As international trendsetters, they are naturally attractive to designers and manufacturers alike. Top German fashion designer Caren Pfleger's cosme-

tics are well-known in major duty free shops and her fashions can be seen at Troendle's in Frankfurt airport.

Her feminine and flattering designs have a luxurious simplicity. Subtle detailing is combined with perfect finish and quality. Clever proportions are coordinated with

long, eight-waisted jackets and closely modeled spencers and short coats. Colors this winter are quietly intense and full of feeling. Apricot and putty, terracotta and black, sand and slate can be found in both ready-to-kill and ready-to-wear. Designs include checks, pepicas and houndstooth.

**THE LUXURY LOOK OF LEATHER**

**A**BOVE all, the look of the luggage says everything about the traveler. Fine leather, elegantly designed yet practical, is the hallmark of the relaxed internationalist. That is why such products are to be seen increasingly in the world's duty free shops.

This, in brief, is the philosophy of Dieter Enders, senior vice-president of the German company Goldpfeil, which features its Sport and Caracola ranges at this year's Tax Free World Exhibition in Cannes.

Also from Germany, the elegant Comesse collection of prestige leathers can be found in Singapore, Hong

Kong, Australasia, Japan, and the West Coast of America. Miss Ingeborg Kopp, the hard working president of the company, is constantly traveling in order to promote international sales and she has developed a large duty free business in the Far East.

Customers appreciate the hand craftsmanship in the use of ostrich, crocodile, lizard, boxcall and horsehair—a specialty of the company. Semi-handwoven, giving it a uniform texture and enhancing its natural sheen, each horsehair product is trimmed with top grade calf in a variety of colors including red, grey, opal, navy and green to give it that finishing touch.

**PHILIPS POCKET MEMO**



**YOUR ELECTRONIC NOTEBOOK**

Organize your day better by using a Philips Pocket Memo. It's the fastest way to make notes, record ideas and compose letters without writing anything in longhand. And it makes you independent of your secretary.

To find out more about Philips Pocket Memos, contact your office equipment dealers or clip the coupon.

**THE WORLD'S NO. 1 IN DICTATION**

Please send me information about Philips Pocket Memo and Dictation Systems.

Name \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_

Position \_\_\_\_\_

Tel. No. \_\_\_\_\_

Philips Dictation Systems, Winter Strasse 64, A-1101 Vienna, Austria.



**PHILIPS**

**Abu Dhabi Airport Duty Free**  
**Who on earth can match our prices?**



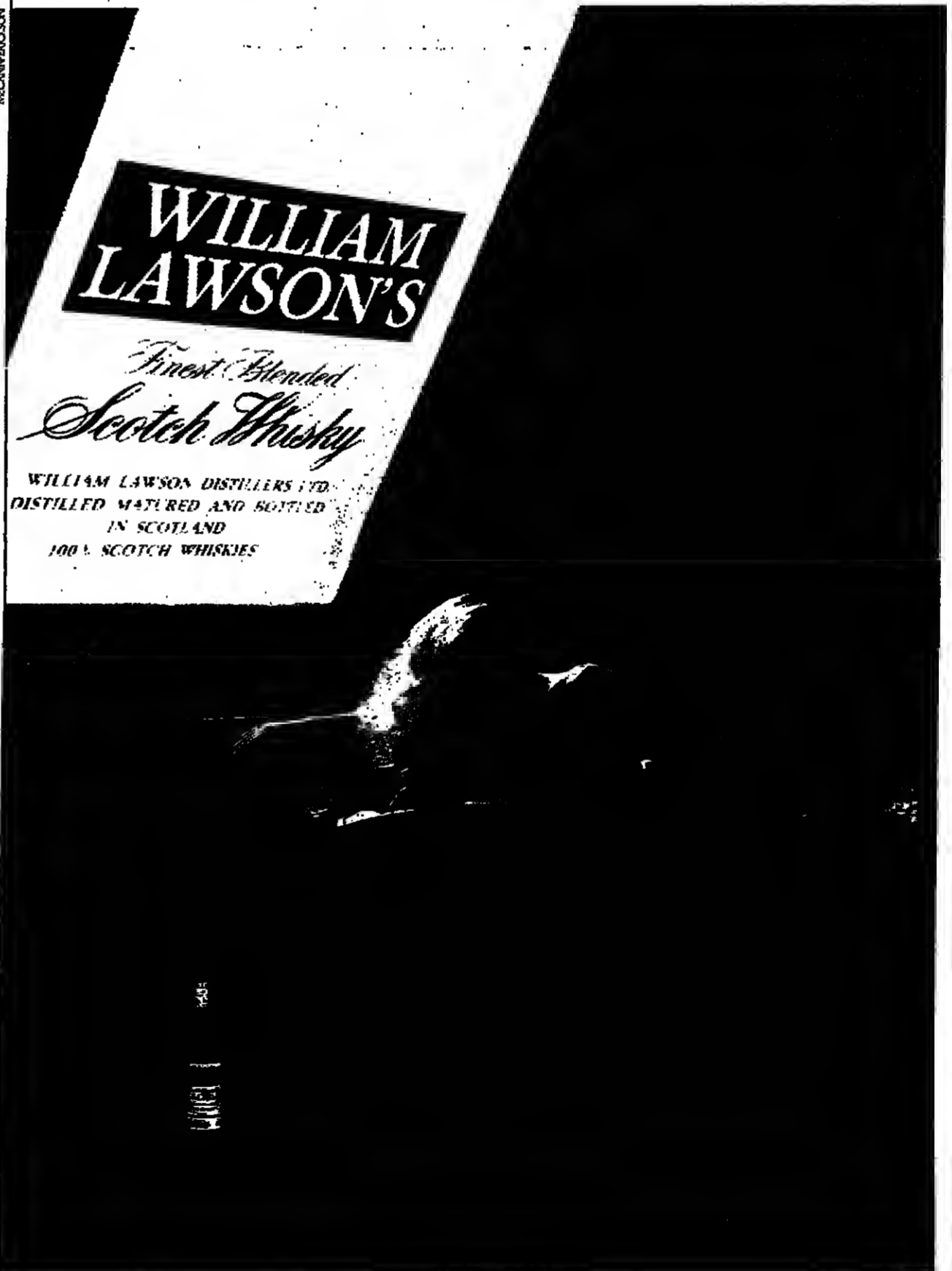
Anytime you fly to, from or over the Middle East, drop-in at the Abu Dhabi International Airport, your gateway to the world. Enjoy a fantastic



our new prize winning Duty Free Shop. Gold and jewellery, watches, electronics, cosmetics, perfumes, cameras, fashion and much more. All at prices



Abu Dhabi International Airport, P.O. Box 117, Abu Dhabi, U.A.E. Tel: 973 359 114/124/141/151/161/171/181/191/201



**WILLIAM LAWSON'S**  
*Finest Blended Scotch Whisky*  
WILLIAM LAWSON DISTILLERS LTD.  
DISTILLED MATURED AND BOTTLED IN SCOTLAND  
100% SCOTCH WHISKIES

**Light up your evening with a great Scotch.**

دبي حرة



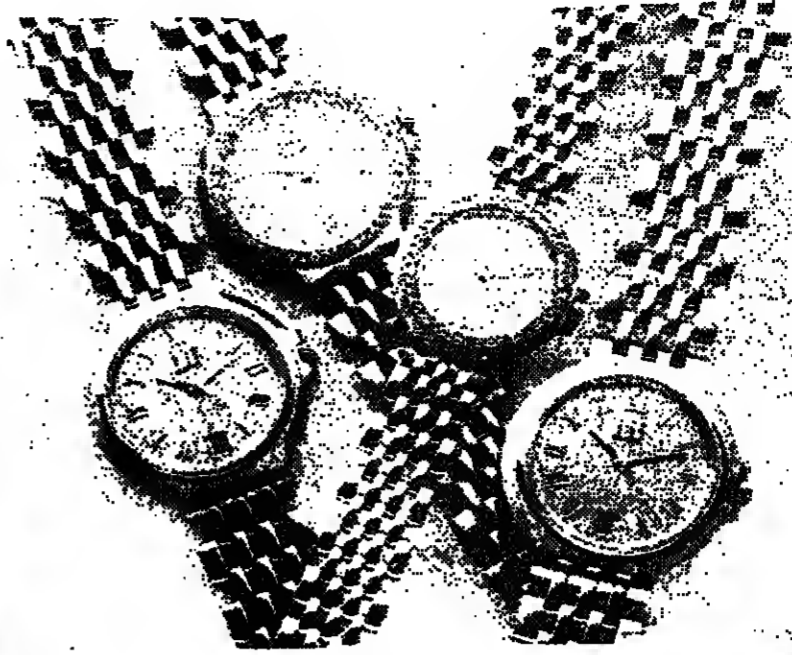
# THE WORLD OF DUTY-FREE

Shopping

160 countries and all sectors of the worldwide duty free trade, BATUKE ranks as one of Britain's major exporters.

Of all the Virginia cigarettes sold in European duty free, 60 percent are the company's brands, which include Stare Express 555, Embassy No.1 and Senior Service. Batu-ke also represents the U.S. company Brown & Williamson and Henri Winterman, the world's largest cigar exporters.

Always good value for money, look out for BATUKE brand promotions. Typical is a holiday discount scheme with the purchase of 300 or more Benson & Hedges Special Filter cigarettes. Another ingenious promotion linked to the John Player Special motor racing program is the helmet clock, which won a Gold Award from the Institute of Sales Promotion.



## DUNHILL STYLE WORLDWIDE

ALFRED Dunhill Ltd has its own shops in 30 countries and over 80 shops-within-shops around the world. Yet the duty free sector is still an important market for this thriving international company.

Business has increased with the opening of a Dunhill boutique in Terminal 1 at Heathrow. This new shop has been particularly successful with Japanese and European passengers. At Terminal 4 there is an increase in Japanese traffic due to the nonstop London-Tokyo route. Previously this traffic was diverted via Anchorage which picked up the business.

New 'Designer' boutiques run by Ailders are shortly to open in Terminal 4. These are specifically aimed at the Japanese traveler and Dunhill has a strong presence among other luxury goods companies.

Leathergoods are particularly successful in the duty free

environment and Dunhill provides several comprehensive ranges from fine leather wallets to soft synthetic baggage with leather trim. Travel bags are increasingly lightweight and flexible and Dunhill can provide two ranges called Lite Flite and Rapid Transit. Lite Flite is stain resistant nylon fabric with leather trim in brown or tan.

Rapid Transit is made of coated cotton canvas with a distinctive herringbone pattern. The range includes garment bags, holdalls and compact luggage available in grey with black leather trim or brown trimmed with tan.

One particular item in both collections has enjoyed phenomenal success. Called 'Trippers', these small holdalls with their own pochette are popular either as a small weekend bag or as an extra bag to be packed for the outward journey and used on the return for all those extras bits and pieces acquired when traveling. As an added bonus the

pochette can be used for carrying wallet, passport and traveler's checks in climates where it is too hot to wear a jacket.

Leather belts are another popular item and 1988 will see further developments in the product line. The most recent addition to the Dunhill range are menswear collections. Silk



rics, polo shirts and knitwear are available in duty free outlets as are watches, lighters, pens and jewelry for men.



## PROCESSING THE SPOKEN WORD

HERE is still a way to go before we reach the ultimate in communications: a system that lets people talk to a computer and then watch their words come out instantaneously, perfectly spelled and punctuated. It will probably take at least ten years before even the most rudimentary form of voice-input/word-output is readily available at a realistic price. Yet the first step toward this dream has already been taken by Philips with its Pocket Memo and desk dictation equipment.

Philips developed the minicassette exclusively for dictation, the needs of which are quite distinct. Dictation imposes frequent stops and starts, shrewd rewinds, repeats and fast forwards to a much greater extent than conventional audio recording. The Philips 0008 minicassette features a unique Visual Index System (VIS). Unlike other marking systems, this is retained and can be seen on the cassette even if it is not in the machine.

As the recorder runs, it inscribes a line on the VIS strip that clearly shows the message length. The user can indicate the start of each message and the location of any special instructions by activating con-

trols on the Pocket Memo of Dictation System. When the tape is to be re-used, the VIS strip may be simply erased. The Philips Pocket Memo and "Director" 896 can be used for recording thoughts and ideas as they come up, for taking notes, and for conventional dictation of messages, memos and correspondence. Lightweight and compact, they are especially designed for professional and executive users. Two further models — the 805 and 815 — are also equipped with VIS.

For secretaries, Philips provides the 805 transcription unit and multifunctional Desk-Top Dictation System 815. A telephone adapter approved by the telecommunications authorities is available for the 815. A new feature of this office dictating machine is automatic telephone recording in two modes. With the first mode, each conversation is automatically recorded. At the end of the conversation, the tape automatically rewinds to the beginning and is ready to record the next conversation.

This Advertising Section was written by Peter R. Wenban & Associates, London based specialists in world duty free marketing.

## SECOND MOST POPULAR CHOICE

IQUOR and tobacco take a massive 56.5 percent of the total duty free market, of which the latter accounts for 23.6 percent. Sales are led by cigarettes, but cigars come close behind and pipe or rolling tobaccos make up the balance of the business.

Among the specialty brands are Denmark's Mac Baren Pipe Tobaccos. Manufactured by Harold Halberg Tobacco Factories Inc., these fine tobaccos are exported to over

80 countries. International business is the base of their duty free trade which takes 15 percent of production. The range includes Mac Baren Mixture, Golden Blend and Plumcake in 50g, sealed pouches, and 100g, or 250g tins. Recent demand also favors more aromatic tobaccos such as Mac Baren Black Ambrosia and Golden Ambrosia. A collectors' item in the coming year will be Navy Mixture, with its tin featuring prints of original paintings

from the Troense Maritime Museum.

Research shows that one third of the cigarettes sold in duty free are bought by non-smokers as gifts. So BATUKE, the international arm of tobacco giant British American Tobacco (BAT) has developed new packaging for its John Player Special and Benson & Hedges Luxury Mild brands. When empty, these attractive drums double as pen and pencil or plant holders.

With sales in some

## THE BEST OF TASTE: MIX A BEEFEATER NEGRONI

Take one part of Beefeater Gin, one part Campari, one part sweet Vermouth, and mix them over ice in a tall glass. Add a slice of orange, just a touch of soda and serve with a stirrer.

Cheers! For a recipe leaflet which further demonstrates the excellence and versatility of Beefeater Gin why not write to:

James Burrough, Beefeater House, Montford Place, Kennington Lane, London SE11 5DF, England.



THE GIN OF ENGLAND

## NEW LOOK FOR OLD FAVORITE

LISTENING to our customers' needs is the cornerstone of marketing principles and the foundation of our success," according to BAT's duty free marketing manager David Emmerson. So, from 1988, St. Bruno, Golden Virginia and Gold Block will be packed in the familiar 50 gram fold around pouch with a cellophane overwrapping to maintain freshness. Three Nuns will now be packed in 50 gram tins. To meet a considerable demand for 'ready rubbed' St. Bruno this brand has been changed from 'flake'.

## RUSSIAN FARE FOR TRAVELERS

AVIAR and vodka are in plentiful supply in the world's airports thanks to Phodimex, a Soviet/West German joint venture founded in 1974. As the exclusive agent for the Russian Foreign Trade Organization, it is responsible for the export of foods and spirits throughout the world. Names such as Moskovskaya and Stolinava vodka are globally recognized. Other tempters

include the sparkling wine Russia, Chotka caviar and a range of fish conserves.

Long an active trader in the tax duty free markets, Phodimex is again exhibiting at this year's Tax free World Exhibition in Cannes.

In addition to its exporting activity, the company imports goods from many other countries, which makes its presence in Cannes doubly interesting for fellow exhibitors.



Tobacco of international distinction



FINLANDIA VODKA TRADITIONAL SCANDINAVIAN VODKA DISTILLED SINCE 1888



Discover gold

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gold.  
It is guaranteed by  
Royal Mint, the oldest  
world.

مكتبة النور

## Stocks Mixed in Asia, Europe

### Shares Are Up In Tokyo, Off In Hong Kong

Compiled by Our Staff From Dispatches

**TOKYO** — Stock prices closed higher Monday on the Tokyo, Sydney and Singapore exchanges but fell in Hong Kong in mostly quiet trading.

The gains on the Tokyo Stock Exchange came despite the dollar's slide to 137.65 yen from its Friday closing of 139.25 yen.

But there were signs of optimism. "I think that the Tokyo Stock Exchange has entered the phase of bottoming out," said Ki-siro Kanari, head of Kangyo Kakumaru Investment Consultant Co.

The 225-stock Nikkei average, the Tokyo stock market's key indicator, gained 593.56 points to close at 23,358.60.

In Sydney, share values rose 5.3 percent. The All-Ordinaries Index closed 68.50 points higher at 1,361.00, partly because of a steady Australian dollar.

And in Singapore, stock prices climbed in active trading amid bargain-hunting and short-covering. The Straits Times industrial index rose 33.79 points for the day to close at 872.34, up 6.6 percent from Friday.

But in Hong Kong, which has been the hardest hit of the major Asian exchanges, prices were down. The Hang Seng index, the market's prime indicator of blue-chip stocks, closed at 2,203.23, down 36.90 points or 1.6 percent from Friday.

Trading was thin in Tokyo with volume at about 550 million shares, down from 660.5 million shares in half-day trading Saturday. Advances led declines by a 4-3 ratio.

Dealers said that investors were waiting results of the U.S. Treasury Bill auction Tuesday. The extent of Japanese participation in the auction is seen as critical to the dollar-exchange rate, brokers said.

Some Japanese investors also were sidelined ahead of a national holiday Tuesday.

In Hong Kong, brokers said that selling by overseas institutions appeared to have ended. But local investors remained cautious and there were few buyers.

Some brokers welcomed Monday's lack of volatility. "What we need is a stable market," said a broker with a British firm.

Hang Seng index futures closed sharply higher Monday as institutional brokers squared their hedge positions, dealers said.

Monday was London's settlements day, with payments due for the past two weeks. Some debt de-



A bank clerk changing figures on the board at the Bank of Japan. The dollar plunged on Monday against the yen.

## CURRENCY MARKETS

### DOLLAR: Hits 40-Year Low

(Continued from first finance page)

#### London Dollar Rates

Coining	Mar.	F.Y.
Dollar bank	171.15	172.95
Forward sterling	172.00	172.15
Japanese yen	137.80	138.28
Swiss franc	1.410	1.4095
French franc	6.585	6.5855

Source: Reuters

gressive central-bank intervention first prompted the dollar's fall Monday.

Hans Meyer, the third-ranking officer in the Swiss National Bank who is responsible for foreign exchange, said that recent dollar purchases by the central bank had been intended to smooth the dollar's fall, not reverse it.

Further weighing on the dollar were doubts over the ability of White House and congressional negotiators to make substantial progress on measures to cut the huge U.S. budget deficit.

The market's bearish mood toward the dollar has prompted predictions of further declines in the dollar.

"A lot of people are talking 1.65 marks this week," said Carol Callan of Crédit Lyonnais.

The market also took note of comments by Salomon Brothers Inc.'s chief economist, Henry Kaufman, on Sunday that the dollar was likely to fall further before it stabilized around 1.60 to 1.70 marks and 130 to 135 yen.

Amid all the bearish talk, however, some dealers said the dollar may soon take an upward bounce, although such a move would probably be only temporary.

"A lot of people are looking for some profit-taking or a technical correction on the upside," one dealer said.

Earlier in London, the dollar closed nearly two pence lower at 1.7115 DM, down from 1.7295 on Friday. Before the opening, it had hit a seven-year low of 1.7170 DM.

The dollar also closed more than a yen lower in London, at 137.00, against 138.28 on Friday.

The dollar was also lower against the pound, which closed at \$1.7380, against \$1.7215. The Paris market was closed Monday for a holiday.

Jim McGarrarty of Discount Corp. said traders believed that the United States, in particular, was willing to accept a lower value for the dollar.

Earlier in Europe, the dollar was fixed in Frankfurt at 1.7204 DM, down from 1.7393 on Friday.

The dollar closed in Zurich at 1.4193 Swiss francs, down from 1.4270 on Friday.

### Riggs Bank Cuts Prime to 8.75%

(United Press International)

**NEW YORK** — Riggs National Bank of Washington on Monday reduced its prime lending rate from 9 percent to 8.75 percent.

Riggs, the oldest bank in the District of Columbia, said it believed it was the first U.S. bank to reduce its prime, the base upon which many loan rates are calculated, to less than 9 percent. Most banks cut their prime rates to 9 percent on Oct. 22.

It was Riggs' second lowering of the prime since the Federal Reserve sharply eased credit after stock prices collapsed on Oct. 19, said David Bunting, senior vice president. Riggs lowered its prime from 9.25 percent on Oct. 25.

"We looked at our costs of funds and basically we decided that is the way rates were going to go," Mr. Bunting said.

### FED: After the Stock Collapse, Surprisingly Little Fallout

(Continued from Page 1)

point to avoid adding to future inflationary pressures.

The FOMC members — Mr. Greenspan, the other five Fed governors and five of the 12 Federal Reserve Bank presidents — will have somewhat more freedom to choose a course for monetary policy than they did at their last meeting on Aug. 18.

Then, and until after the stock market plunge, the Reagan administration and the Fed were committed to trying to keep the dollar from falling below set levels against the yen and the Deutsche mark.

One way to do so was to raise short-term interest rates, which the Fed did in late August and early September. It acted to try to calm a jittery, weakening bond market in which rates on long-term bonds were rising rapidly.

The reasons for the bond market nervousness were complex, as always, but one element was that many bond traders expected the Fed to have to boost rates in order to prop up the dollar.

Moving in anticipation of an expected event, as markets normally do, traders then bid up rates, according to one Fed official.

In September, the Fed raised its discount rate, the interest rate it charges on loans to financial institutions, from 5.5 percent to 6 percent and began to make cash less readily available to the banking system, steps that generally increased short-term interest rates.

The discount rate has not been cut. But cash has been flowing to the banks in a sufficient quantity to drive short-term rates back down. Rates on long-term government bonds also have come down, by nearly 1.5 percentage points, to about 9 percent.

When the market essentially forced the Fed's hand in September, some senior Fed officials were not all that reluctant to act, believing that the economy was expanding rapidly enough that restraint was needed. In particular, the industrial sector was growing strongly as demand for U.S. exports rose. But the market slump has called all that into question.

There is little information about how great an impact the market decline will have, Mr. Angell said.

Given the uncertainties, analysts said the Federal Open Market Committee probably would decide to keep the money flowing.

Besides, said a Fed official, if the fall in stock prices does slow economic growth next year by 1 to 2 percentage points, it will hold down inflation and postpone the point at which the Fed would have to tighten monetary policy.

Some analysts outside the Fed note that the stock plunge came just before an election year, which may make it harder for the Fed to move against inflation.

For instance, Senator John Heinz, Republican of Pennsylvania, introduced a bill last week directing the Fed to cut its discount rate to 5 percent this week to help the United States avoid a recession.

"It has increased everyone's tolerance for inflation," said George M. von Furstenburg, an Indiana University economist.

Mr. von Furstenburg has thus raised his prediction for economic growth over the next year from 2 percent growth or less to "a solid 3 percent."

### Gilts: As Daiwa Departs, Orion Enters Market

**LONDON** — Orion Royal Bank, the securities arm of Royal Bank of Canada, said Monday it was withdrawing immediately from the Eurobond and gilts markets.

Separately, Daiwa Europe Ltd., the British subsidiary of Daiwa Securities Co. of Japan, said it had formally applied for a license to make markets in gilts, British government bonds.

Orion, which said its losses in Eurobonds and gilts had been small, plans to cut its London work force by up to 150 employees.

A Daiwa spokesman in London gave no details on how many staff members Daiwa Europe might hire or when a gilts operation might start trading.

Daiwa Europe is the second Japanese firm to apply to trade gilts since the first anniversary of the "Big Bang," or deregulation of British financial markets, on Oct. 27. Nomura International Ltd., a unit of Nomura Securities Co., also has applied for a license.

The two Japanese houses will be entering a market where dealers noted, harsh conditions have already claimed casualties, such as Orion Royal Bank.

### London Index Declines But Volatility Lessens

Compiled by Our Staff From Dispatches

**LONDON** — Stock prices in European markets were mixed Monday in a welcome respite from the volatility of the past two weeks.

Although prices were lower on many exchanges, there was no repeat of the steep declines of the previous two Mondays.

Share prices opened lower in London and remained depressed throughout the session. The Financial Times-Stock Exchange 100-share index closed at 1,723.7, down 26.1 points, or 1.5 percent.

The index had been down 32.3 points when trading began.

By contrast, the FT-SE 100, the exchange's leading index, had fallen 6.19 percent the previous Monday. And the week before, it had fallen 10.84 percent on Monday, followed by a 12.22 percent drop the next day, after the record 506-point drop in the Dow Jones industrial average.

"It is desperately quiet and there's no business around," said one dealer.

Monday was London's settlements day, with payments due for the past two weeks. Some debt de-

faults are feared. Dealers said, however, that while some small client brokers "may go to the wall," large ones with bank backing should be safe.

In Frankfurt, prices closed down but above the lows of the day. Dealers said the bourse was undermined by expectations that the dollar would decline further.

The Commerzbank index of 60 leading shares, which is calculated at mid-session, fell 20.7 points, or 1.36 percent, to 1,505.3.

Some dealers said Monday's losses were a technical reaction to Friday's surge in prices, when the Commerzbank index gained 6.93 percent. Others said selling from London had depressed shares.

The Zurich, S.B.C. Index rose 3.60 points, or 1.04 percent, to 545.20. Dealers said that trading was moderate and uneven and that prices were encouraged by bargain hunting after the recent steep falls.

In Madrid, the general index rose 16 points, or 7.19 percent to 238.68.

Markets in Brussels and Paris were closed for a holiday. (AP, Reuters)

### BAKER: Bonn Firm on Tax Cuts

(Continued from Page 1)

Mr. Baker did not comment on the report, Mr. Pöhl launched a wider defense of the bank's policies in a speech in New York. He insisted that the United States had led the international interest-rate increases that preceded the crash.

In an apparent reference to Mr. Baker's criticism, Mr. Pöhl said that "tiny, market-oriented" increases in Bundesbank rates in the past three months had "sometimes generated comments which were anything but justified and helpful."

Mr. Pöhl also seemed to minimize West German obligations under the so-called Louvre accord in February by saying that the agreement's most important aspect had been a U.S. commitment to cooperate in the efforts of leading industrialized nations to stabilize the dollar against major currencies.

Mr. Pöhl said the Louvre accord was "still alive" and that the chances for more stable exchange rates were "better than many pessimists think." Necessary adjustments have been started in the United States, West Germany and Japan, he said, thanks largely to substantial changes in exchange rates since 1985.

But huge trade imbalances and strong divergences in other areas of economic, fiscal and monetary policy remain, he said.

"In these circumstances," Mr. Pöhl said, "overambitious commitments to peg certain exchange rate levels or target zones run the risk not only of clashing with domestic

monetary objectives but of collapsing when the markets test them.

"Central banks and governments can easily lose their credibility in such a process," he said. "Therefore, it is less ambitious but more realistic to concentrate on managing the existing system pragmatically and flexibly."

But while Mr. Pöhl seemed relatively content with West German policy, the five economic institutes said that "measures to improve the climate for growth should be taken as soon as possible."

The highly respected institutes of Kiel, West Berlin, Munich, Essen and Hamburg — often referred to as "the five wise men" — urged that tax cuts of 39 billion DM (\$22.4 billion) scheduled for 1990 be moved up to 1989.

The institutes estimated the West German growth rate at 1.75 percent for all of this year and 2 percent for 1988, below the government forecasts of 2 percent and 2.5 percent. The institutes predicted only a small decline in the country's current-account surplus, from 75 billion DM this year to 65 billion DM in 1988.

The government had no hesitation in rejecting an acceleration of the tax cuts, arguing that it would hurt the economy by increasing the budget deficit. That could mean higher interest rates, it said.

The government argues that Bonn already has fulfilled promises to stimulate the economy by bringing forward tax cuts worth 5 billion DM to Jan. 1, 1988.

#### FOREIGN & COLONIAL RESERVE ASSET FUNDS

PRICES AT 37.10.87:

- A. U.S. DOLLAR "CASH" \$10.33
- B. MULTICURRENCY "CASH" \$14.83
- C. DOLLAR BONDS \$12.53
- D. MULTICURRENCY BONDS \$16.47
- E. STERLING BONDS \$12.11
- F. DEUTSCHMARK BONDS DM10.28
- G. YEN BONDS YEN108.00
- H. ECU BONDS ECU106.64
- I. SWISS EQUITY \$9.40
- M. U.S. EQUITIES \$10.46
- N. JAPANESE EQUITIES YEN100.00
- O. GLOBAL EQUITIES \$9.88
- Z. "CASH" \$10.46
- 2. "CASH" \$11.89

FOR OTHER F & C FUNDS, SEE INTERNATIONAL FUNDS LIST

#### Trust Busters

At the latest blue-chip market top the public had implicit faith in consumer non-cyclical stocks representing production of soap, soap, cigarettes and cake mixes.

Indigo showed where rising raw material costs were going to play the dragons, and the leading cola-milk stock collapsed as wheat rose 20 percent to quadruple futures-market equity. Write, phone or telex for commentary reports that will cover next prospective price jumps in everything from sugar to petroleum.

Indigo is not a licensed broker.

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It is available from all banks and brokers. And there are three other coins, which contain half an ounce (15.55 grams), a quarter of an ounce (7.78 grams), and one tenth of an ounce (3.11 grams) of gold.

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**THE ROYAL MINT**



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**Monday's AMEX Closing**

Tobies include the nationwide prices up to the closing on Wall Street and do not reflect intra-trading elsewhere.

Via The Associated Press

12 Month High	Low	Stock	Div. Yld. PE	52 High	52 Low	Open	Close
17 1/2	17	ABR	4.0	5.0	4.0	4.0	4.0
17 1/2	17	ABR	4.0	5.0	4.0	4.0	4.0
17 1/2	17	ABR	4.0	5.0	4.0	4.0	4.0
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17 1/2	17	ABR	4.0	5.0	4.0	4.0	4.0
17 1/2	17	ABR	4.0	5.0	4.0	4.0	4.0
17 1/2	17	ABR	4.0	5.0	4.0	4.0	4.0

**INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 2nd Nov 1987**

Net asset value quotations are supplied by the funds listed with the exception of some quoted on issue price.
AL-MAL OUBAY SA \$ 280.10
AMERICAN OVERSEAS CORP \$ 24.50
AMERICAN OVERSEAS CORP \$ 24.50
AMERICAN OVERSEAS CORP \$ 24.50
AMERICAN OVERSEAS CORP \$ 24.50
AMERICAN OVERSEAS CORP \$ 24.50

12 Month High	Low	Stock	Div. Yld. PE	52 High	52 Low	Open	Close
17 1/2	17	ABR	4.0	5.0	4.0	4.0	4.0
17 1/2	17	ABR	4.0	5.0	4.0	4.0	4.0
17 1/2	17	ABR	4.0	5.0	4.0	4.0	4.0
17 1/2	17	ABR	4.0	5.0	4.0	4.0	4.0
17 1/2	17	ABR	4.0	5.0	4.0	4.0	4.0

**Floating-Rate Notes**

Issuer/Note	Coupon	Next	Bid	Ask
Alcoa Finance Unit	7 1/2%	11/15/87	98 1/2	99 1/2
Alcoa Finance Unit	7 1/2%	11/15/87	98 1/2	99 1/2
Alcoa Finance Unit	7 1/2%	11/15/87	98 1/2	99 1/2
Alcoa Finance Unit	7 1/2%	11/15/87	98 1/2	99 1/2
Alcoa Finance Unit	7 1/2%	11/15/87	98 1/2	99 1/2

**Deutsche Marks**

Issuer/Note	Coupon	Next	Bid	Ask
Alcoa Finance Unit	7 1/2%	11/15/87	98 1/2	99 1/2
Alcoa Finance Unit	7 1/2%	11/15/87	98 1/2	99 1/2
Alcoa Finance Unit	7 1/2%	11/15/87	98 1/2	99 1/2
Alcoa Finance Unit	7 1/2%	11/15/87	98 1/2	99 1/2
Alcoa Finance Unit	7 1/2%	11/15/87	98 1/2	99 1/2

**Japanese Yen**

Issuer/Note	Coupon	Next	Bid	Ask
Alcoa Finance Unit	7 1/2%	11/15/87	98 1/2	99 1/2
Alcoa Finance Unit	7 1/2%	11/15/87	98 1/2	99 1/2
Alcoa Finance Unit	7 1/2%	11/15/87	98 1/2	99 1/2
Alcoa Finance Unit	7 1/2%	11/15/87	98 1/2	99 1/2
Alcoa Finance Unit	7 1/2%	11/15/87	98 1/2	99 1/2

**Pounds Sterling**

Issuer/Note	Coupon	Next	Bid	Ask
Alcoa Finance Unit	7 1/2%	11/15/87	98 1/2	99 1/2
Alcoa Finance Unit	7 1/2%	11/15/87	98 1/2	99 1/2
Alcoa Finance Unit	7 1/2%	11/15/87	98 1/2	99 1/2
Alcoa Finance Unit	7 1/2%	11/15/87	98 1/2	99 1/2
Alcoa Finance Unit	7 1/2%	11/15/87	98 1/2	99 1/2

AS - Australian Dollars; BF - Belgium Francs; CC - Canadian Dollars; DM - Deutsche Marks; ECU - European Currency Unit; FF - French Francs; FL - Dutch Florin; LI - Italian Lira; LF - Luxembourg Franc; SF - Swiss Francs; S - Singapore Dollar; Y - Yen; B - Baht; R - Ringgit; T - Tugrik; U - Ugandan Shilling; V - Vietnamese Dong; W - West German Mark; Z - Zimbabwe Dollar.

**Business Roundup**

**Henry Discus**

**Manuel Says**

**Bank Offer Is On**

**Monday's OTC Prices**

**OTC Prices**

OTC prices for various stocks and bonds, including AMEX, NYSE, and NASDAQ listings.

مكتبة النسخ

BUSINESS ROUNDUP

Henley Discusses Santa Fe Takeover

NEW YORK — Santa Fe Southern Pacific Corp., a transportation and natural resources giant, said Monday it was negotiating to have Henley Group Inc. buy the 85 percent of its shares that Henley does not already own for \$63 per share, or about \$8.3 billion in cash and securities.

Eurotunnel Says Stock Offer Is On

PARIS — The consortium planning to build a tunnel under the English Channel said Monday that it would go ahead with an effort to raise £750 million (about \$1.3 billion) on stock markets this month, despite the slump in share prices.

Bilzerian Offers \$1.05 Billion for Singer

NEW YORK — An investor group led by Paul A. Bilzerian launched a \$1.05 billion tender offer for Singer Co. Monday, days after disclosing that it held nearly 10 percent of the electronics company.

Citicorp Assumes PaineWebber CP

NEW YORK — Citicorp will take over PaineWebber Group Inc.'s commercial paper business for a "nominal" amount, the companies said Monday. The terms were undisclosed.

Elders IXL Puts Off Plan To List 3 of Its Divisions

ADELAIDE, Australia — Elders IXL Ltd. said Monday it had decided not to proceed with a proposed restructuring for the time being because of the slump in world stock markets.

NIGHT: After Dark, a Different Crew Rules Wall Street

(Continued from first finance page) "It's really hectic over there right now," Mr. Blair said of his firm.

GINSBURG: Crime Is Inefficient

(Continued from first finance page) Judge Posner declined in a telephone interview to comment about Judge Ginsburg, saying that he considered it improper for judges to take a public position on judicial selections.

Nominee Denies Conflict Of Interest in Cable Case

WASHINGTON — The Justice Department has denied any conflict of interest in the actions of Douglas H. Ginsburg, President Ronald Reagan's nominee to the Supreme Court, when, as an assistant attorney general, he argued before the high court a case involving expansion of that industry.

Monday's OTC Prices
NASDAQ quotes as of 2:30 p.m. New York time
Via The Associated Press

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in \$ Mil., High, Low, 2 P.M. CHG.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in \$ Mil., High, Low, 2 P.M. CHG.

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Monday's AMEX Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in \$ Mil., High, Low, 2 P.M. CHG.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in \$ Mil., High, Low, 2 P.M. CHG.

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Monday's NYSE Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in \$ Mil., High, Low, 2 P.M. CHG.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in \$ Mil., High, Low, 2 P.M. CHG.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in \$ Mil., High, Low, 2 P.M. CHG.

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Monday's NASDAQ Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in \$ Mil., High, Low, 2 P.M. CHG.

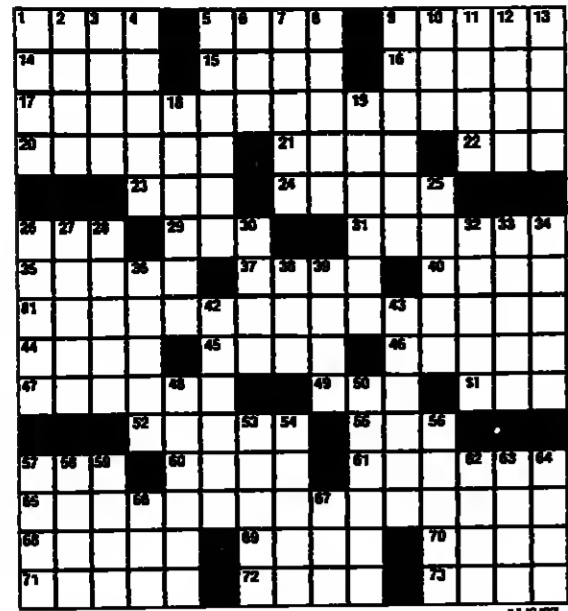
Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in \$ Mil., High, Low, 2 P.M. CHG.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in \$ Mil., High, Low, 2 P.M. CHG.

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ACROSS 1 Au, to chemists 5 First woman governor 9 At an angle 14 An Iroquoian 15 Dill herb 16 Entertainer 17 Tucker 17 November news 20 Repairs the lawn 21 Space agcy. 22 U.S.N.A. grad 23 Caddoan Indian 24 Orbit part 25 Kind of lettuce 26 Dutch 29 Dutch commune 31 Confine a canary 35 Sparked 37 Number suffix 40 "The Pearl of the Island" Stowe 41 Political meeting 44 Greenland town 45 Stake 46 Type of orange 47 Earth tones 49 Sister 51 Draft initials 52 Bow or Barton 55 So, to Burns 57 Air: Abbr. 60 Tuttle 61 Everglades birds 65 Declaim 28 Fight 30 Collar or jacket 32 Soles 33 Quarts for tarts 34 Serfs 38 Moral 38 Suffix with persist 39 Level 42 Memorable cellist 43 Youthful period 46 Type of German silver 50 Beneficial 53 Indian prince 54 White poplar 58 Flynn of films 57 "boy!" 58 "she blows!" 59 Hero of a Katz book 62 "Perpetua," Idaho motto 63 Corrida dance 64 Cioch 66 Pop's mate 67 Opponent

PEANUTS



BLONDIE



BEEBLE BAILEY



ANDY CAPP



WIZARD OF ID



REX MORGAN



GARFIELD



DENNIS THE MENACE



JUMBLE

Unscramble these four Jumble words to form four ordinary words. TEALE VERAB SNAVLY GIRONI

WEATHER

Table with weather forecasts for various regions including Europe, Asia, Africa, Latin America, North America, Middle East, and Oceania.

BOOKS

THE BONFIRE OF THE VANITIES

By Tom Wolfe. 659 pages. \$19.95. Farrar, Straus & Giroux, 19 Union Square West, New York, N. Y. 10003.

Reviewed by Christopher Lehmann-Haupt

THE incident at the heart of Tom Wolfe's hilarious first novel is no laughing matter. Sherman McCoy, a well-married, 31-million-a-year high-WASP Wall Street bond salesman with a 14-room apartment on Park Avenue, takes a wrong turn while driving his mistress home from Kennedy International Airport, and finds himself lost in the jungle of the east Bronx.

Solution to Previous Puzzle

COBB BEAM CAIRD OBAR AGRA SATES TITI NEAR ATTIC THE MARLEFAUN ROM ALEC OTT RASP ERODES TATE KEEN MONA THEELGIN MARBLE EONS OMNI USERS RETTON SLAM SOY AREA TBS INMARBLEHALLS ARIEL AIRE AILE PANNE COIN GRAM BEET TINS KATE

CHESS

By Robert Byrne

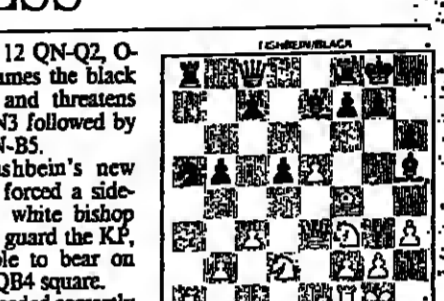
MAYBE nine times out of 10 a promising innovation leads to winning the game. But there is always that 10th time. In fact, even dubious innovations usually have a way of succeeding, so effective is the uncharted in today's well-studied tournament play.

Yet there does not appear to be any flaw in the innovation that the Denver, Colorado master Alexander Fishbein introduced in his game with the Belmont, Massachusetts, international master Patrick Wolff in the last round of the United States Junior Championship at the Manhattan Chess Club. Fishbein went astray later and was smartly outplayed by Wolff.

reporter who is trying to save his sagging career on a daily tabloid. As Follow's master says about the story: "And the great thing, Pete, is that this isn't just one of those passing sensations that this thing gets down to the very structure of the city itself, the class structure, the racial structure, the way the system is put together." Indeed it does, and in doing so it gives Wolfe an opening to have delicious fun with the system.

"The Bonfire of the Vanities" is just vintage Wolfe, you might argue — the author up to his old tricks, doing the satirical turns he did in some of his nine previous books, particularly "Radical Chic & Mau-Mauing the Flat Catcher" (1970), "The Painted Word" (1975) and "From Bauhaus to Our House" (1981). After all, the voice is the same, filled as it is with exclamation points, italicized phrases, phonetic speech, brand names, arcane nomenclature and figure-like metaphors. The eye for intricate detail is the same, especially where it comes to ethnic behavior and the way people talk. The nose for hypocrisy and cant is the same. All that's been added is a plot, a cast of fictional characters and the sum greater than its parts, that a novel is supposed to add up to.

Chess Position after 19... N-N6



Q-B4; 23 Q-B3, P-P; 24 QxP; but White still enjoys clear positional advantage. Instead, Fishbein sacrificed a pawn with 19... P-Q4; 20 NxP, but in the sequel Wolff's strong technique prevented him from getting real counterplay. On 31 N-N6!, there was no time for 31... P-P; 32 P-B6. On 32 P-K6!, there was no help in 32... K-B1; 33 R-Q1, R-R6; 34 P-B6!, K-K1; 35 N-Q5!

Large vertical advertisement for Pilsener Beer featuring a bottle and various text elements.

World Stock Markets

Table showing closing prices in local currencies for various world stock markets including Amsterdam, Frankfurt, London, and others.

Table showing stock market data for various cities including Milan, Tokyo, Sao Paulo, Zurich, and others.

Advertisement for 'The Global Newspaper' featuring a globe and promotional text.

Advertisement for 'Psyching Team' featuring a person and text about team psychology.

SPORTS

49ers Pummel Punchless Rams

ANAHEIM, California — The numbers offer a tidy summary of the way the 1987 National Football League season has gone for the 49ers and Rams. San Francisco 31, Los Angeles 10; the 49ers are 6-1, their longtime National Conference rivals are 1-6.



San Francisco's Larry Roberts, nailing Ram quarterback Jim Everett on the second of two consecutive first-quarter sacks.

NFL ROUNDUP

generate little offense, and even their usually dependable defense was vulnerable. "We were beaten thoroughly," said Coach John Robinson, who the previous day had announced that the Rams had dealt the president's Dickerson, the NFL's premier running back for the past four years, to Indianapolis.

Watson Ends Drought — With a \$384,000 Victory

By Gordon S. White Jr. SAN ANTONIO, Texas — Tom Watson, who once dominated the PGA tour as Jack Nicklaus and Arnold Palmer did in their primes, got back into the winner's circle Sunday for the first time since July 8, 1984, as he won the richest tournament in golf history. Playing with a regained confidence, Watson, 38, led from start to finish on the short Oak Hills course to win the \$3 million Nabisco Championships by two shots over Chip Beck and three over Greg Norman.

had disappointments, but Tom never was depressed and he never lost faith. "I don't think he ever felt he had lost it. He was searching for what he had and now has found it." Watson's last victory came in the 1984 Western Open, when he beat Norman on the fifth hole of a sudden-death playoff. That was the 31st victory of his career and it took him three years, three months and 25 days to win his 32d PGA tour event.

He also has five British Open titles (which don't count on the official PGA tour money list). Watson has two Masters victories and a U.S. Open title. He finished second by a shot to Scott Simpson in this year's Open, indicating his play was in form. Paul Azinger, who double bogeyed the 16th hole Sunday, fell to fourth place at 273. He thus missed a chance to take first in the tour earnings battle but did win the player of the year honors. Curtis Strange, despite a last-place finish here, remained the leading money-winner as the official competition ended with this, the 46th event on the 1987 tour.

Dallas Fans Riding the Cowboys

The Associated Press DALLAS — The proud nickname America's Team has been drowned out lately in a chorus of jeers as fans have fallen out of love with the National Football League's Dallas Cowboys. "I almost feel like we should move out of the city and go somewhere we're appreciated," said running back Tony Dorsett, who was booted on the field after he crossed the picket line.

schel Walker complained they weren't being given the ball enough. On Monday night the Cowboys, 3-3 on the year, were to face the 1-3 New York Giants — and a possible home-field disadvantage in their first appearance in Texas Stadium since the 24-day strike ended. While New York's replacement team teetered with an 0-3 record, the Dallas collection of free agents and high draft choices captured the fans' imagination with a 2-1 mark.

SCOREBOARD

Table containing NHL Standings, Selected U.S. College Conference Standings, Hockey, and Football sections with various team names and scores.

VANTAGE POINT/Ira Berkow

Psyching Team to the Rescue

NEW YORK — Sure, he had been hard for the New York City Marathon and was fit. And yes, he figured out a strategy regarding time and he was confident. But had a serious problem. "I'm afraid of crossing bridges," said Sunday morning, about an hour before he and some 22,000 other runners would be set loose on the streets of New York. "I don't think I can do it."

18 Challenges Received for America's Cup

Compiled by Our Staff From Dispatches

SAN DIEGO — Eighteen challenges from 10 countries have been applied to compete in the 1991 America's Cup, the prestigious 60-meter regatta to be held in San Diego, it was announced Sunday. Entry fees were received before the deadline from five Australian yacht clubs, three from Japan and France and one each from England, West Germany, Denmark, Sweden, Italy, Canada and Spain.

Golf

Table listing golf scores for various players including Tom Watson, Greg Norman, and Chip Beck.

Transition

AUTO RACING CART — Re-elected John France chairman of the board and Jim France president and U.S. Patrick in the board of directors. Mario Andretti driver representative to the board and Adriano Panzeri chief mechanic representative to the board.

NFL Standings

Table showing NFL standings for American and National Conferences.

CFL Standings

Table showing CFL standings for Eastern and Western Divisions.

Large advertisement for 'Save 40%' on newsstand price when subscribing for 12 months to the International Herald Tribune. Includes contact information and a coupon form.

ART BUCHWALD

Pass the Ammunition

WASHINGTON — On certain days everything comes up roses. It happened to me two weeks ago when it was revealed that the National Rifle Association managed to lobby the Justice Department into withdrawing legislation that would ban plastic handguns.

This was a gift from the blue because up until then the Justice Department was supporting bans on plastic handguns.

I know what you're asking. How could the American people have been so lucky? It was not luck, but common sense that forced the Justice Department attorneys into bed with the NRA.

First you must understand what a plastic gun does. It has a minimum of metal, which allows it to pass through metal detector machines. While just as easy to shoot as a metal one, it is much lighter to carry under your coat. Law-abiding citizens will be able to take a plastic gun on a plane without the firearm showing up on the screen. It is the perfect weapon to stash in your car or by your bedside. No one but a bleeding heart pinko could have any objections to plastic guns joining the United States' great handgun arsenal.

The coward may ask, "Why do we need it when we have so many guns on the market?" We need it because every weapon we can sell to the civilian population is one more blow to the criminal elements that walk the streets.

The National Rifle Association, which has no ax to grind in this dispute, insists that the banning of plastic guns will be the first step toward disarmament of the United States. The word is out that the muggers and stick-up men would like nothing more than to ban anything made of plastic, including bullets which are now legal.

The betting here in Washington is that whatever the other side attempts, the NRA will prevail. This is not necessarily because the NRA is right, but because it's rich.

Who do we have to thank for saving the plastic guns we so desperately need? It's none other than their attorney general, Ed Meese. Ed is a good friend of all gun people.

He came to our aid when it looked like banning plastic guns was going to be a fact. When Ed realized what was going on he immediately pulled the bill, which was headed to the White House for approval.

What makes this victory particularly sweet is that the NRA managed to win this one when so many people, including law enforcement agencies, anti-terrorist groups and citizen groups, were against it.

So what does the NRA hope to get out of allowing plastic weapons to appear on the market? The answer is absolutely nothing. The NRA always involves itself in good causes, provided they have something to do with the biggest bang for the buck.

It doesn't matter if it's an anti-missile pistol or a Chinese Silkworm missile. The people have a right to bear arms. Frankly, the plastic gun is not the issue. The issue is if the plastic gun will be embargoed tomorrow?

As a gun lover, you may be asking what you can do to make sure they don't take our plastic weapons away. First write to Ed Meese and thank him for stopping the bill. Send money to the NRA to support congressional and senatorial candidates who support all of us. There are a lot of votes for sale on Capitol Hill for pro-gun legislation.

This is one of the most important battles we have to wage because there is nothing the other side won't do to stop our plastic weapons from being sold over the counter or in the airline terminal novelty store.

Wine Sale for Cancer Center

PARIS — A collection of eight bottles of Bordeaux, dating from the years 1861, 1869 and 1870, is among 9,000 bottles of wine that will be auctioned Nov. 25 to help build a cancer hospital here.

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